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EC, Internal Rifts Smoothed, Faces Even Stiffer Tests **Turmoil Outside Its Borders Poses Gravest of Challenges**

By Tom Redburn EDINBURGH — By patching up its most troublesome family quarrels, the European Community emerged from the long-awaited summit showdown more or less in-

Denmark won the exemptions from the Maastricht agreement that it demanded as the precondition to allow Copenhagen to ask Danish voters to reconsider their rejection in June of the Treaty on European Union.

The Community, after a bitter argument between Spain and Britain that was not settled until practically the 11th bour, also cut a deal on a seven-year budget pact that will provide substantially more money for the four poorest members — Spain, Portugal, Greece and Ireland. The cash compromise opened the door to begin negotia-

The highlights of the meeting in Edinburgh. Page 6.

join economic group. Page 6.

PANTION.

Secil D

tions early next year with the Community's rich country consins — Austria, Sweden, Finland, and - that want to join the

Prime Minister John Major of Britain, speaking at a Saturday midnight news conference after the summit meeting ended, said, "This shows that there is still a family spirit in the Community.

But after the draining internal fends over Maastricht and money that have preoccupied the Twelve all year long, the Community now must turn its attention to the much more difficult external problems just cutside the door.

The 12 members of the EC are still riven hy conflicts over how to deal with the United States over farm subsidies and free trade. They fear economic breakdown in many ions of the former Soviet empire they remain largely impotent in the face of the deadly war in the Balkans that has left hundreds of thousands of impoverished refugees clamoring at the Community's

With Europe burning, the fon-dest hope expressed by EC leaders at the Edinburgh meeting was that

By Carl Gewirtz

PARIS — Something's got to give in the European Monetary

System: Either German interest

rates come down very fast, which

seems unlikely, or the French come up with a radical solution to the

France, no doubt followed by Denmark, will temporarily withdraw

from the system, although some

Paris-based analysts disagree. Paris

might even be able to do it, one expert says, without the accompa-

nying devaluation other countries have had to accept.

thought is that the Germans will

come up with an inflation-restrain-ing package that would allow rate

cuts fast enough to avert a new

bout of currency turmoil, which will become full-blown at the start

of the year when the normal players in the foreign exchange market re-

in the absence of many market operators, central banks last week

managed to support the franc, the Danish krone and the Irish punt

despite a degree of pressure on

The miraculous school of

The talk in the market is that

impending crisis in the system.

ional Herald Tribune

Could Paris Create

A Currency Miracle?

the Community may finally be ready to stop fiddling.
"The Edinburgh Council will be remembered," Mr. Major said, "as the council that brought the Community back together.
"I think we can now send a message of hone for property right."

sage of hope for recovery right across Europe," he said. "We can also now look outwards, not just to Eastern Europe, but to Somalia and right across the world."

For the moment, however, that sentiment is more rhetoric than re-

Community leaders, for exam ple, issued a strongly worded state-ment condemning "the systematic detention and rape of Muslim women" in Bosnia-Herzegovina and blaming primarily "the present leadership of Serbia and of the Bos-nia Serbs" for destroying what was once Yugoslavia. But they recommended no new actions on the part of the Community and, although offering 50 million Ecus (\$62 million) of aid to the former Yugoslav republic of Macedonia, flinched in the face of adamant Greek opposi-tion to recognition of the breakaway republic.

Meanwhile, the Community's much-vaunted "economic growth initiative," supposedly designed to help kick start the faltering European economy, is clearly inade-quate, officials acknowledged. Henning Christophersen, the EC

commissioner for economic affairs, predicted that economic growth in the 12 EC countries would be barely more than 1 percent in 1993, pushing Community-wide unem-ployment, now under 10 percent, to at least 11 percent.

By the end of next year, he said, 'all the improvements in the unemployment rate over the past five years will have been wiped out." Yet, in the face of widespread

economic weakness across Europe, all the Community could agree upon was to establish two funds, representing less than 0.01 percent of EC output, to funnel additional lending into infrastructure and small-business investment. The plan falls far short of the "big bang" spending program floated last month by Jacques Delors, pres-ident of the EC Commission.

The European Investment Bank which finances capital projects in the Community, was authorized to set up a temporary loan fund of 5 billion Ecus and a loan guarantee

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But there is a broad consensus

provided none — this status quo

The Irish are expected either to

extend the exchange controls or to devalue the punt, a move most ana-lysts consider inevitable.

The option for France and Denmark to tough it out with interven-tion and higher short-term interest

rates by the central banks to defend the exchange rate, which has worked since the crisis first erupted

in September, appears less tenable.

10 percent of the labor force, and

industry in both countries now has

the additional handicap of working with revalued currencies following

the substantial devaluations since

September of the British pound, Spanish peseta, Finnish markka and Swedish krona, as well as

smaller devaluations by Italy, Por-

On a trade-weighted basis,

French officials estimate that the franc has effectively been revalued

by 4.5 percent. This is a significant

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tugal and Norway.

Unemployment already is above

will not last.

A U.S. Marine in Mogadishu on Sunday during a confrontation with a group of Somalis, whom he had just disarmed of an assault rifle.

U.S. Secures Somali Base as Staging Hub

By William Claiborne

Washington Post Service
BALI DOGLE, Somalia — U.S. military forces Sunday turned a derelict Soviet air base here into a major troop staging center for establishing security in Somalia's famine zone, and within hours began landing transport jets from the United States filled with

It is possible to the control of the Joint Task Force Operation Restore Hope, is under increasing pressure from international relief agencies to get U.S. forces to Baidoa and other towns in the faming Joseph Score as come as possible. He said in the famine zone as soon as possible. He said Sunday, "I'm going to get there as quickly as I can, but I want to make sure that I have the forces to establish

security. Within three hours after an advance company of 230 Marines had landed in helicopters, shooed away camel herdsmen and secured the perimeter of the abandoned air base, C-141 transport jets were landing on the partly overgrown and cracked runway, unloading troops and equipment of the U.S. Army's 10th

The base, about 110 kilometers (70 miles) northwest of Mogadishu, will become an important factor in the luck, it's all quiet."

U.S.-led task force's attempt to wrest control of Bai-doa, Hoddur and Gailalassi and their surrounding countryside from the remnants of warlord militias and free-lance gunmen, military officials said.

"This is just one more step to get away from the port and move out into the hinterland," said Brigadier General Thomas R. Mikolajcik, the air force com-mander in Operation Restore Hope. "It'll be a logistics base for providing security as they go from here to

Getting American troops out into the countryside as quickly as possible after they arrive has become a critical factor in the U.S. strategy, because heavily armed gangs appear intent on looting as they are forced out of densely populated centers and head northward toward the safety of the Ethiopian border. A task force spokesman said Sunday that there were 4,000 troops on the ground in Somalia, out of a projected U.S. force of 28,000.

General Johnston said that although there appeared to be a public "preoccupation" with getting American troops to Baidoa, "we want to be able to respond to the

He added, "I'm not going to go there wishing, by

[A spokesman for the CARE aid agency, Rick Grant, said the organization's relief workers in Baidoa had been forced to stay in a house guarded by more than a dozen men armed with assault rifles, The Associated Press reported, "It is criminal negligence the Marines aren't there," Mr. Grant said.]

A major incident occurred Saturday, before the securing of the Bali Dogle air base. Two U.S. helicop-ter gunships destroyed three armed Somali vehicles after the Marine aircraft were fired on, the military

A U.S. spokesman, Colonel Fred Peck of the Marines, said the AH-1 Cobra gunships, which were on a reconnaissance mission, had been fired on by a Somali armored personnel carrier. The Cobras fired 20mm guns and TOW anti-armor missiles, destroying the armored car and two armed vehicles next to it, Colonel

It was the first significant exchange of gunfire between Western troops and Somalis since the Marines landed Wednesday. The incident came two days after two Somalis were killed and seven wounded truck barreled through a military check-

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Clinton's Economic Team Gets Set to Plug In

By Paul F. Horvitz

International Herald Tribune
WASHINGTON — President-elect Bill Clinton opens a high-profile two-day conference on the U.S. economy Monday that will showcase his newly appointed economic team and a televised "town meeting" format that he hopes will directly connect him to the public.

Consensus-building is apparently a prime goal of the meeting, which will bring together 326 business, labor, acathat if there are no significant poli-cy changes — and the Edinburgh meeting of EC leaders last week demic and consumer leaders from all 50 states and will include live telephoned questions from viewers around the coun-

> Mickey Kantor, the conference coordinator, said Sunday that the session would help Mr. Clinton assess the state of the economy, provide new ideas for

John Sculley, chairman of Apple Computer and a conference participant, said Sunday that the session would help "get the country focused on an agenda" for economic revitalization so that Mr. Clinton can take office on Jan. 20 with "a stronger voice."

Mr. Clinton rounded out his major economic appointments over the weekend, naming Ronald H. Brown, 51, na-tional chairman of the Democratic Party, to be commerce secretary. Mr. Brown, a polished Washington lawyer and lobby-ist, is widely praised for his efforts to

unify the various party factions.

Mr. Clinton also named his boyhood friend and confidant from Arkansas,

economic growth and give Americans a chance to participate in problem-solving.

"They want to be connected to their staff. Mr. McLarty is chairman and chief executive officer of Arkla Inc., a Fortune 500 energy holding company that con-trols Arkansas-Louisiana Gas Co.

Mr. McLarty is expected to play the role of "honest broker" for Mr. Clinton by making sure that he hears all significant voices before making a decision and by ensuring that decisions are carried out to the president's specifications.

The latest appointments allow Mr. Clinton to begin focusing on foreign policy appointments that are expected in the next 10 days. The naming of Mr. McLarty, for example, increased speculation that Warren M. Christopher, who had been mentioned as being under con-sideration for chief of staff, would be

named secretary of state.

ton's transition process, is a prominent Los Angeles lawver who was deputy secretary of state under President Jimmy

Senator Bill Bradley of New Jersey and General Colin L. Powell, chairman of the Joint Chiefs of Staff, are also frequently mentioned for the post. It is possible that Mr. Clinton will want to appoint a Middle East negotiator to ork with the secretary of state.

Speculation in recent days has centered on a number of other possible nominees for national security posts, including Representative Les Aspin of Wisconsin, chairman of the House Armed Services Committee, for secretary defense; Representative Dave

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Israeli Soldier Kidnapped By Islamic **Extremists**

Militants Seek Release Of a Religious Leader Serving a Life Sentence

By Clyde Haberman

New York Times Service
JERUSALEM — In a during challenge 10 Israel's authority in its occupied territories, Islamic militants kidnapped an Israeli soldier Sunday and threatened to kill him unless the army quickly released the imprisoned founder of a dominant Muslim group in the Gaza Strip.

The abductors' deadline passed with their demand unmet, but it was not known if they carried out their threat.

The kidnapping, a rare action that stunned violence, perhaps the most severe to strike Israel and its territories since the start of the Middle East peace talks last year.

It continued over the weekend with the fatal shooting of three Palestinians and an Israeli soldier who, like three other soldiers last week, was gunned down from a passing vehicle while

he was on patrol in a jeep. In addition, Gaza was buffeted by repeated clashes between stone-throwing demonstrators and Israeli troops, who opened fire with live ammunition and rubber bullets, wounding at least 120 people in the last two days, some

A rise in violence had been anticipated for the last few days as Palestinians marked several anniversaries in their five-year-old uprising against Israeli occupation. But the fighting turned out to be unexpectedly fierce, and it produced political ripples on both sides of the line dividing Israel and the territories it has held since the 1967 war.

On the Israeli right, opposition parties said they would seek a parliamentary vote of noconfidence this week against the Labor-led gov-ernment, accusing it of encouraging terrorist attacks with political concessions offered to Palestinians as part of the peace talks. The talks are continuing in Washington without tangible

In contrast, leftist politicians, including some government ministers, said it was time for Israel to think about pulling its forces out of poor, over-crowded, ever-turbulent Gaza, especially if the peace negotiations end in deadlock.

There is room to consider within a certain period of time — a year or two — a unilateral withdrawal from Gaza with prior announce-ment," said Health Minister Haim Ramon, a Labor Party leader who reportedly was supponed hy four other ministers attending a weekly cabinet meeting.

The proposal was not new. Mr. Ramon him-self had suggested it five years ago when Labor was in a coalition government with the Likud Party. There was no indication that the idea was now about to take a more concrete form. And even if that were to happen, it would not apply to the West Bank, where nearly all Jewish settlers in the territories live and where most Israelis feel their main security interests lie.

Nonetheless the latest violence has clearly rattled many Israelis and perhaps even weakened their resolve to remain in the territories. If for that reason alone, Palestinians seemed emboldened, taking heart especially in machine-gun attacks that killed lour soldiers in the last week and that Israel's top commanders ac-

knowledge had shown a fair amount of daring. The predawn kidnapping on Sunday of Ser-geant Major Nissim Toledano in the Israeli town of Lod was likely to increase the sense among Israelis that they are under siege.

The chief demand of the kidnapers was that Israel free Sheikh Ahmed Yassin, a Gaza resident who founded the Islamic Resistance overnent, known as Hamas, five years ago. Sheikh Yassin, 57, and long confined to a

wheelchair, has been in prison since 1989 and was sentenced tast year to a life term for ordering the killings of Palestinians accused of working with the Israeli authorities.



Kiosk

1,200 Dead in Indonesia Quake

JAKARTA (WP) - A powerful earthquake and a series of tidal waves have killed more than 1,200 people on the Indonesian island of Flores and devastated a coastal town and neighboring fishing villages, officials said Sunday.

Rescue operations in the heavily damaged town of Maumere, about 900 miles (1,450 kilometers) east of Jakarta, were being hampered by aftershocks, tropical storms, power failures and poor communications, relief officials said. They said the death toll was

The earthquake, measured by Indonesian anthorities at 6.8 on the Richter scale, struck at midday Saturday and damaged at least a third of the buildings in Maumere, a town of about 40,000.

Russia's constitutional crisis took a turn for the better as President Page 2, Yeltsin reached a compromise with the parliament.

fran beat the drums for new OPEC production cuts.

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400,000 in 2 German Cities Rally to Protest Neo-Nazi Violence

Some of the 150,000 people who gathered in Frankfurt for a music festival held to show solidarity with foreigners and sympathy with their plight. In Hamburg, some 250,000 rallied in the same cause. The master of ceremonies of the Frankfurt gathering told his mostly young audience: "This isn't about politics. It's about opposition to violence and racism." Page 2.

Windsors After Fall: Fact Closes In on Fiction

By Mary Blume

LEICESTER, England - When Britain elects a republican government, the royal family is fired and sent to live on welfare in public housing with such possessions as they can load into a van in 48 hours. It isn't much, but too much for the two-bedroom semidetached that Mrs. Windsor, as she is now known, has been allotted on the Flowers estate, in Hellebore Close, popularly known as Hell Close.

"Yes, it is hell." Mrs. Windsor remarks. Her previous experiences with council estates had consisted in walking on a red carpet, cutting a ribbon, accepting a posy from a shined-up 2-year-old and returning to her palace.

"We've had bloody cars higger than this," says Prince Philip. The Aubusson rug must be cut to fit the cramped lounge, the sofa that belonged to Napoleon bisected. The queen's corgi, Harris, brings home a

Princess Diana shudders at the purple and turquoise wallpaper and buys a trouser suit in a thrift shop. Prince Charles, beamishly delighted hy what he calls the simple life, starts an organic garden, which Diana neglects to water, and grows a ponytail. Princess Margaret arrives with her usual bad humor and six cocktail dresses. The Queen Mother smiles

her famous smile and says of her bleak accommodation: "It's darting. It could be a kennel for a large dog."

Hell Close is dirty and neglected, cold and damp, and smells of burning tires. Its residents are mildly larcenous, appallingly dressed and, for the most part, kind. Prince Philip, deprived of his privileges, mistress and contact lenses, becomes a bedridden depressive. The queen learns to dress herself (how tricky it is to fasten a brassiere if you never have!), makes soup from old bones and, like other Hell Close residents, is bullied by bureaucrais and patronized by a social worker. The country does not go

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For a Princess, a Simple Ceremony in Scotland

After her royal kinfolk had catapulted themselves through a tempestuous week, what Princess Anne needed for ber remarriage was certainly not pomp and least of all circumstance. She and Commander Timothy Laurence found each other - and not much of either of the above - in a small town in Scotland. (Page 6)

Рa

militarily to contain the fighting in engul's neighboring Macedonia. As the Bosnia, it will be partly to head off a wider crisis in Kosovo and Macedonia. The first international presence there was an observer mission sent by the Conference on Security and Cooperation in Europe and headed by Robert H. Frowick, a former U.S. ambassador to the group. Mr. Frowick, who returned this week to Stanford University's Hoover Institution, told Joseph Fitchett of the International Herald Tribune about the mounting alarm.

Q. In a first-ever attempt to provide "preventive peacekeeping," UN units are arriving in Macedonia. What explains this new readioess to try getting ahead of

A. A fight over Macedonia will explode into a full-blown Balkan war. Two NATO allies will be involved in a burry. Turkey and Greece. That's fundamentally different from everything that has happened in former Yugoslavia, which argu-ably could be described as civil war. Now the most likely and dangerous scenario

ed Nacons resolution to enforce the ban on

Serbian flights over Bosnia-Herzegovina, ac-

cording to Secretary of State Lawrence S. Eag-

He also said the administration was rethink-

The warring parties in Bosnia announced

Sunday that they had signed a new cease-fire. But the three sides, Serbs, Croats and Muslims,

have failed to respect all previous cease-fires,

including the most recent one, signed Nov. 10. Even as the agreements were being negotiated, Serbian forces reportedly continued shelling.

President François Mitterrand said Saturday

that France would ask the United Nations to

authorize enforcement of the "oo-fly" zone

former Yugoslavia warned against Western in-

tervention, saying it could endanger his peace-

keeping troops and wreck the aid operation.

Lieutenant General Satish Nambiar, who

commands the 23,000-strong UN Protection

Force, dampened enthusiasm in the United

States and Europe — as well as among some of

his own junior officers - for military action to

stop Serbian aggression.
General Nambiar warned that interventioo

(Continued from page 1)

poiot, and French soldiers and Ma-

rines shot at it.
On the Bali Dogle air base, a

small advance team of air force and

army engineers and technicians has

been encamped at the control tow-er sioce Tbursday, conducting

weight-bearing tests on the runway.

The arrival of the Marines on Sun-

day morning marked the first at-

tempt to secure the airport perime-

ter and establish a protected base.

But the commander of UN forces in the

ing its opposition to lifting a UN arms embargo

that benefits the well-armed Serbian forces.

If Western governments intervene starts with an attack on Kosovo that war in Bosnia wiods down, Serbian militia leaders, the type who specialize in terrorizing opponents to make them flee their villages, have reasons for a new

> Serus consider Kosovo their historic homeland, but ethnically the population

> > MONDAY O&A

is over 90 percent Albanians. If the Serbs attack Kosovo's Albanians, Albania will come to their rescue. From the other side, Macedonia's ethnie Albanians will start crossing the border into Kosovo to help their cousins. Then Belgrade engages its Serbian forces to interdict this outside support and try pushing Macedonia's ethnic Albanians out toward Albania. Macedonians will get help from Bulgarians to whom they are related. Turkey comes to the aid of Albania, a fellow Muslim nation. Greece might take actions in its own interest.

Q. Can't internacional action wait until Macedonia wins recognition as a state? A. The process of de facto recognicion may accelerate thanks to meetings under way right now: the European Community summit, the CSCE ministerial meeting, NATO ministerials, UN talks. People in Macedonia are haunted by the approaching Yugoslav elections on Dec. 20. If Milosevic is re-elected, he may feel he has a fresh mandate for Serbian expansion. If his popularity is slipping, be might unleash an attack as a way to rally the Serb nation behind him.

threaten Turkey?

O. Would an assault on Kosovo really

A. If Albania becomes openly involved, I don't see how Turkey cannot be engaged. The Muslim dimension is increasingly serious. Turks are incensed by what is happening to Muslims in Bosnia without the West doing anything.

Q. But Greek fears focus on something else: the risk that a new state called 'Macedonia" might emerge with irredentist claims on northern Greece.

A. Greeks have to ask themselves what is worse: a weak "Macedonia" versus modern Greece enjoying NATO protecdon, or Turkish military action around Greece, with NATO hamstrung because two allies are pitted against each other. Nothing could jar Greek security interests more than the sight of Turkey coming to the aid of Albania, if not overland Yugoslavs who may be tempted to move then coming around by sea.

Q. What have international missions such as yours been doing?

A. Macedonia was extraordinarily vulnerable because there were no diplomatie missions in Skopje. We provided a kind of early warning system, designed to defuse incidents and deter attack by report-ing to interested capitals. Inside Macedonia, political strains are sharpening as the economy deteriorates, mainly because the anti-Serb embargos are also strangling Macedonia. We helped the Skopje government understand the need to do better for the Albanian minority, whose local leaders are now trying to keep the republic viable. We also tried to encourage better border arrangements, and Skopje was immediately ready to proceed but Belgrade was deafeningly silent. All these diplomatic efforts were good, but no longer enough to do the job of pre-

Q. As you leave your official posicion, what do you recommend? A. In my personal view, we should be willing to use air power to back up warn-

Yugoslavs who may be tempted to move into Kosovo to start a war. I'm oot saying we should bomb Belgrade. With air power, we could draw the line - if necessary, hitting any Serbian military effort involved in attacking Kosovo. To get the military credibility needed while there is still time, we must start showing Belgrade that from now on any breach of commitments will be met with action, perhaps starting with enforcement of the "no-fly" rules in Bosnia.

Q. Could this policy get an international consensus?

A. I think that U.S. leadership is definitely needed because the European Community does not seem able to muster what is needed for military action. There appears to be heightened realization in Washington these days that the problem is changing in nature, so the response must, too. Any Western action against Serbia should be discussed with Moscow cause of historic Russian ties to this Slavic people and region, but I think we could expect positive uoderstanding from the Yeltsin leadership about preventing a conflagration.

since a new constitution is likely to

change Russia's governmental

structure, implying new elections and new institutions.

At the heart of the conflict be-

tween Mr. Yeltsin, his appointed, provisional government and the unwieldly, 1,041- member Con-

gress has been a bitter struggle over

the shape of Russia's future polity. Debates over economic policy, appointments and all the normal

difficulties of ordinary administrations have invariably become dis-

torted in a country that has not even resolved the fundamental

Will Russia have a presidential or a parliamentary system? Will its legal structure emphasize the rights and duties of individuals or the

power of the state? What will be the

extent of the legislature's power, or the nature of checks and balances

prime minister nominated by legislative factions. The Congress will

If the Congress then gives that

can name an acting prime minister.

Many deputies expect Mr. Gaidar

have regularly taken to the streets

to protest xenophobia.

Last weekend, 300,000 people

took part in a torchlight gathering along the streets of Munich to pro-

test against the rightists and to show solidarity with the 6 million

The government has also moved

against radical rightists, banning

two groups for inciting hate against

foreigners and Jews, and as a threat

In another development related

"I think it is necessary in the

second phase, around the end of January, for Germany to be able to

foreigners in the country.

questions have been unsettled.

lop three vote-getters.

WORLD BRIEFS

700 Arrested in India Crackdown As Quiet Returns to Most of Nation

NEW DELHI (AP) - Police sealed the offices of Hindu and Muslim nationalist groups Sunday and arrested nearly 700 people in a nationwide crackdown on extremists held responsible for a week of communal

The government announced a casualty toll of 1,210 dead and 4,600 wounded in the clashes that erupted after Hindus tore down a 16thcentury mosque in Ayodhya on Dec. 6. More victims were still being

The arrests were part of Prime Minister P. V. Narasimha Rao's effort to assert the government's authority and counter critics who called him weak and indecisive when he failed to prevent the mosque's destruction. Quiet returned to most areas after a week of the worst Hindu-Muslim clashes since independence in 1947. The only major incident reported Sunday was in Mysore, in the southern state of Karnataka. Officials said 15 people were stabbed in a melee, and the police opened fire to dispers the rioters. Curiews were lifted during daylight hours in most of the 135 cides where people had been confined to their houses for days.

UN Team Seeks Iragi Clarifications

BAGHDAD (Reuters) - A team of United Nations weapons experts made their final inspection of the year on Sunday and said there were still

points to be clarified in talks with Iraqi officials. The team leader, Johan Santesson, a chemicals expert from the World Health Organization, said that none of the inspections had uncovered any weapons-related material but that their talks had not been satisfying.

He declined to comment on the contents of a letter to the president of the Security Council from the Special Commission charged with destroying Iraq's most lethal weapons. An Iraqi newspaper, Babil, published by President Saddam Hussein's son Udai, quoted the letter as saying a senior Iraqi official had told Mr. Santesson that there would be no more cooperation from the Iraqi side and that be would punish anyone who did cooperate with the UN inspectors.

Cairo Holds 600 in Terrorist Sweep

CAIRO (AFP) - Authorities are bolding 600 Muslims suspected of being fundamentalist terrorists after a six-day sweep of the Carro neigh-borhood of Imbaba, the police said Sunday. Security forces were contiou-ing their search for extremists and arms caches in Imbaba on Sunday. The police said around 1,000 people had been detained during the operation,

which began last Monday but almost half had been released.

The police arrested 20 suspects on Saturday. Five of them had explosives and were planning attacks oo cinemas and theaters in Cairo, the police said. The sweep has netted the head of the Imbaba extremists, Sheikh Gaber Ahmad Mohammad Ali, who had repeatedly challenged

authorides in interviews with foreign dews agencie Sheikh Gaber, 35, admitted taking part in attacks last year on churches in Imbaba and having ordered militants to carry out bomb attacks in the city, the police said. He and 11 supporters were accused Saturday by the state prosecutor of "creating an illegal organization aimed at causing unrest," and possessing weapons for attacks on policemen and shops.

Arms Treaty Eludes U.S. and Russia

STOCKHOLM (Reuters) — The United States and Russia failed Sunday to complete a landmark agreement to cut their arsenals of longrange nuclear missiles, but senior officials said there was still a chance of doing so before the Bush administration leaves office next month,

After a three-hour meeting, Foreign Minister Andrei V. Kozyrev and Secretary of State Lawrence S. Eagleburger said they had made some progress but would probably have to meet again to complete work on the START II treaty, a follow-up to the first strategie arms-reduction pact signed last year. START II would eliminate all land-based multiple warhead missiles, the most dangerous and destabilizing in either coun-try's nuclear arsenal, and reduce both sides' total stockpiles of warheads

by up to two-thirds. With President Boris N. Yeltsin under pressure from conservatives at bome, some American officials were doubtful whether he had the time, will or political ability to focus on an agreement that Russian hard-liners bave criticized as making too many concessions to the United States.

Seoul Tightens Security for Election

SEOUL (AP) - Policemen were placed on alert and security was tightened Sunday at airports, harbors and campaign rallies as South Korea prepared for its presidential election, officials said. Korean oewspapers reported that the police had obtained information

and create unrest in advance of the elections on Friday. Uniformed and plainclothes police, using bomb-sniffing dogs and metal detectors, searched cars entering the Scoul airport. Squads of martial-arts trained experts were added to security teams already assigned to guard major candidates, the police said.

Italians Voting in Local Elections

ROME (AP) — Voters in 55 cities and one province began casting ballots oo Sunday in local elections that could measure discontent with major parties over austerity moves and a national political corruption

Nearly a million voters are eligible to vote Sunday or Monday in the elections for city councils and for the provincial council in La Spezia. The counting will not begin until the polls close at 2 P.M. oo Monday.

Italy's Northern League, a protest party seeking greater autonomy for northern Italy, won the largest share, 33.6 percent of the vote, in the last local elections, in northern Mantua Province in September. The most important cities in Sunday and Monday's election are Monza, Varese, Reggio di Calabria and Viareggio.

Wallace Son Asks Reopening of Case

MONTGOMERY, Alabama (AP) - The son of former Governor George C. Wallace of Alabama, citing new claims that his father's 1972 assassination attempt was discussed in the Nixon White House, wants the

FBI to reinvestigate the shooting.

George Wallace Jr. said be had asked President-elect Bill Clinton to reopen the investigation. He also wants a congressional inquiry. Jeff Eller, a Clinton spokesman in Little Rock, Arkansas, said there would be no comment on the request until it was received. The elder Wallace, who was seeking the Democratic presidential nomination, was shot May 15. \$1972, during a campaign stop in Laurel, Maryland, leaving his legs

The call for a renewed investigation was prompted by an article in The New Yorker magazine that reported that former President Richard Nixon and an aide, Charles Colson, discussed planting George McGovern campaign literature in the apartment of Mr. Wallace's attacker.

TRAVEL UPDATE

The Via Veneto in Rome, once a gathering venue for the famous, has seen the closure of its last two eating places. The Café de Paris shut down last week, and oo Saturday the police closed a hamburger outlet for

strike on Tuesday to protest layoffs that the company says are mandated

This Week's Holidays Banking and government offices will be closed or services curtailed in

WEDNESDAY: Bahrain, Bangladesh, South Africa.

FRIDAY: Niger.

Sources: J.P. Morgan, Reuters.

Russian Deal Hints At Normal Politics meet again until the constitutional referendum takes place, one gov-ernment adviser said, "this Con-By Steven Erlanger New York Times Service MOSCOW -A compromise begress may have voted itself out of tween President Boris N. Yeltsin existence without realizing it,"

and his legislative opposition, unveiled over the weekend with much drama and some confusion, contains the promise of an end to Russia's long-standing constitutional crisis and the development of more ordinary democratic politics, some government officials and senior

estern diplomats said Sunday. By scheduling a popular referen-dum for April 11 on major constitutional questions, the country's squabbling leaders have allowed the people of Russia a crucial say in their future that previously had been denied them.

In the meantime, the status quo before this venomous session of the rules under which it will be gov-Congress of People's Depudes began Dec. I will essentially be restored, with Mr. Yeltsin keeping his special powers of decree over ecocomic policy and very possibly getting to keep his acting prime

minister, Yegor T. Gaidar. Even if Mr. Gaidar does oot among the executive, legislative and judicial powers? All these emerge as prime minister on Monday, government officials and diplomats said, Mr. Yeltsin, with his On Monday, under the terms of the compromise, Mr. Yeltsin will put forward several candidates for control of the nominating process, should be able to ensure that a new prime minister will not gut the essence of Mr. Gaidar's economie

As Yeltsin supporters and opporate them in a vote, and then Mr. Yeltsin will comminate one of the oents gathered in separate rallies on Sunday, Gaidar aides said privately that the outcome was "a sig-nificant victory," especially in the nominee a majority, he will be prime minister; if not, Mr. Yeltsin face of a runaway legislature itching to strip Mr. Yeltsin of much of

Given that the Congress will not to emerge one way or another.

400,000 Germans Rally

To Protest Neo-Nazism

Comptled by Our Staff From Dispatches FRANKFURT — In a buge show of solidarity with foreigners, more than 400,000 people demonstrated in two German cities Sunday, with a rock concert and candelight parade to protest

creasing radical rightist violence. The police in Hamburg said more than 250,000 people tonk part m an evening demonstration, lining the Old Town streets and bolding candles in solidarity with foreigners and against neo-Nazi violence.

in Frankfurt, more than two to Germany's struggle with its dozeo performers and groups ideotity in the post-Cold War world, Defense Minister Volker staged an open-air rock concert free of charge to protest rising xe-nophobia. Organizers and the po-Rühe said Sunday that Germany should remove postwar restrictions lice said more than 150,000 people on its military and send troops to Somalia as early as oext month to join a U.S.-led international effort.

The master of ceremonies of the Frankfurt event, Fritz Egner, said: "This isn't about politics. It's about opposition to violence and racism. The mostly youthful crowd Between performances by 28

music groups and individual sing-ers, he read out messages from other top European artists who congratulated the performers and the audience for taking a stand against neo-Nazism

Standing on a scaffolding constructed as a stage in front of the main fairground building, groups and performers included Peter Maffey, Marius-Müller Westernhagen and the rocker Udo Linden-

Since a oco-Nazi arson attack on Nov. 23, which killed a Turkish woman, ber granddaughter and her from the international economy to niece, in the town of Mölln, bundreds of thousands of Germans

carry out humanitarian aid properly on the ground with, among others, engineers, sanitation workers and communications lines," Mr. Rühe told ZDF television. Bonn said Saturday that it would send as many as eight air force

transport planes to Somalia to deliver aid and study what other nonmilitary work it could do there. Mr. Rübe emphasized, however. that he was not calling for combat

troops to be sent to Somalia, but only forces that could offer concrete humanitarian help. "I call that humanitarian inter-

vention," he said, "and the world is expecting that from Germany in

view of the truly horrific situation

public-health reasons. Air France ground staff and some cabin crew are set to call a 24-hour

by the recession.

the following countries and their dependencies this week because of national and religious holidays: MONDAY: Venezuela

THURSDAY: Bhutan.

SUNDAY: Israel

13 Die as Storm Batters U.S. Northeast

Compiled by Our Staff From Dispatches NEW YORK - The Northeastern United States rebounded Sunday from an unusually violent storm - two days of battering winds, stinging skeet and a blizzard that paralyzed

There were at least 13 dead and perhaps as much as hundreds of millions of dollars of damage from the storm, which lashed the coast from Virginia to New England.

"It was one of the greatest Northeast storms this century," said Bill Scara, a meteo-rologist for the National Weather Service

Governor Jim Florio of New Jersey called suffered broken windows and flooding damthe storm "the worst in memory" after touring collapsed buildings and the battered boardwalk in Atlantic City.

"It's too early to put a hard oumber on the dollar loss, but I'm convinced this was as bad as I've ever seen it," he said.

Mr. Florio said he would ask Washington for federal disaster aid. So did the governors of New York, Connecticut, Massachusetts, Virginia and West Virginia.

In New York City, the police said it was ton early to estimate the damage from the

storm. Buildings throughout the metropolis

In western Massachusetts, residents shoveled their way through a record 30 inches (76 centimeters) of snow that fell in less than 24 hours. More than 150,000 people lost electri-

cal power and winds of 60 miles an hour (95 kilometers an hour) snapped tree limbs and damaged homes. Residents in Boston and the Cape Cod

areas recovered from heavy flooding caused by 80-mile-an-hour winds and tides of up to 20 feet (6 meters).



MINUTES AWAY PREPARING FOR A FLIGHT A WHOLE NEW PERSPECTIVE

SOMALIA: Marines Secure an Ex-Soviet Air Base

rines' psychological operations unit

had been dropped from helicopters.

U.S. forces.

urging civilians in Bali Dogle not to

alarmed by the arrival of the

On the reverse side of a drawing

of a Marine shaking hands with a

Somali, a greeting declares that the

American troops have come to help

the civilians and urges them to turn

The Bali Dogle base was the So-

WHEN

THE AIRPORT

viet Union's biggest in Africa dur-

AMARI

EXPERIENCE the DIFFERENCE

Admiral Jacques Lanxade, argued that UN troops should either use force or get out of Bosnia. And after a meeting last week of NATO defense ministers, Secretary General Manfred Worner said the alliance would do "what is necessary" if the United Nations asked for

The chief of staff of French armed forces

Muslims in Manjaca prison outside Banja Luka, Bosnia, awaiting a POW exchange to take place under UN auspices. More than 500 male detainces left Sunday at the start of the swap. Some 3,000 immates will be released in batches Monday, Wednesday and Friday.

U.S. to Back Enforced Bosnia Flight Ban

Compiled by Our Staff From Dupatches

STOCKHOLM — In a stiffening of the Bush administration's position on the war in the Balkans, the United States will support a United Nations resolution resolution are accomplished to be set things that we have accomplished to be set flight ban.

President-elect Bill Clinton, speaking of President George Bush's policy, nudged the administration toward a new resolution enforcing the things that we have accomplished to be set

military action. The commander of Serbian forces in Banja Luka, Bosnia, said he believed a U.S.-led military intervention was possible but warned that any American who comes here probably won't

"You mustn't forget, we are not Iraq," said Major General Momir Talic, commander of the largest and strongest corps of the Serbian Army now occupying most of Bosnia-Herzegovin American weapoury that worked in the Iraqi desert will not function as well in the hills and mountains of the former Yngoslavia, he said in

As talk of possible military intervention grows in the West, General Talic and the Bosni-an Serbs' defense minister, Colonel Bogdan

Subooc, both appeared eager to signal to Washington that resistance would be fierce and that Americans "must count on this."

Leaflets prepared by the Ma- ing the Cold War, when the United

the taxiway.

States and the Soviet Union were vying for influence in the Horn of

The base was last used militarily in joint U.S.-Somali exercises in

987, and it has since deteriorated

General Mikolajcik, commander

at Charleston Air Force Base in

South Carolina, said about 1,800

meters (6,000 feet) of the north end

of the 3,000-meter ruoway were

still usable for C-130 and C-141

cargo and troop aircraft. Further

engineering studies will be made to

determine whether C-5 Starlifter

cargo aircraft can also eventually land, he said.

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years of clan warfare.

Mr. Eagleburger's statements came after

other issues. He said the United States had changed its position both because the situation on the ground had deteriorated and because the stration believes that, as in Somalia, the United States cannot "simply ignore it and leave it to the next administration."

Yugoslav crisis.

"We would like to see an enforcement resolution passed," he said, adding that he would discuss the issue in meetings in Stockholm, Geneva and Brussels. But he added, "I am not going to go in there with a baseball bat and say we are dow going to gn for an enforcement

The secretary of state's remarks reflected the

administration's seeming desire to leave with a

legacy that it had done what it could to ease the

Mr. Eagleburger spoke to reporters en route to Stockholm, where he will meet with Europe-

an foreign ministers to discuss the Balkans and

As for the embargo, in recent days the State Department has drafted a memorandum that argues both sides of the question, senior admin-

tration officials said. "The United States is prepared in these dis-cussions this week to examine with others whether it would be wise to move away from the solid position we have all taken of a flat arms embargo with regard to the Bosnian Mus-lims." Mr. Eagleburger said. (NYT, WP, AP)

CLINTON:

A 'Town Meeting' (Continued from page 1) McCurdy of Oklahoma, chairman

When the Somali dictator Moof the House Permanent Select hammed Siad Barre began shifting his alliance to the United States in Committee on Intelligence, for di-rector of central intelligence; and Strobe Talbott, foreign affairs col-1978 and the Soviet Union shifted its attention to Ethiopia, Moscow umnist for Time magazine, for naabandoned Bali Dogle, leaving behind a oumber of MIG-18 and othtional security adviser.
Outside the international arena, er aircraft whose rusted remains-

there has been speculation about are still parked in revetments along the appointment of Senator Tim Wirth of Colorado as energy secretary: former Governor Bruce Babbitt of Arizona as interior secretary, former San Antonio Mayor further, having been looted and Henry Cisneros as housing and urstripped by gunmen during two ban development secretary; and Representative Mike Espy of Mississippi as agriculture secretary. of the 437th Tactical Airlift Wing

The economic conference, in Little Rock, Arkansas, will consist of seven roundtable discussions, each led by Mr. Clinton. Topics range job training, new technologies and deficit reduction. "Presenters" will deliver short

introductory statements intended to define a problem. Among the presenters will be Mr. Sculley, Harold Polling, chairman and chief executive officer of Ford Motor Co.; Felix Rohatyn, the Lazard Frères investment banker, and William H. Gray 3d, the former House Budget Committee chairman who is now president of the United Negro College Fund.

Mr. Kantor said he did not invite Ross Perot, the Dallas businessman who won 19 percent of the vote in the presidential election, because the two men agreed that Mr. Perot's presence would cause a disruptive "media circus," as Mr. Kantor put it.

TRANSITION / SIGNAL FROM CLINTON

Japan Cool to Clinton's Top Economic Aide

TOKYO - Japan's was a calm but decidedly cool reaction to the announcement that the Clinton administration's top economist will be a Berkeley professor known for favoring a tough line on trade

Of President-elect Bill Clinton's selection of Laura D'Andrea Tyson to chair the White House Council of Economic Advisers. Noboru Hatakeyama, vice minister for international trade and industry, said: We have not necessarily gotten the impression that she is very much in favor of free trade. So we have to carefully watch her policies down the road."

it was predictable that Tokyo's reaction to Professor Tyson, an economist at the University of California, would be less than enthusiastic. In a recent book, she took issue with the Bush administration's free-trade policies, contending that in the real world such policies are oot always best because they may give unfair advantages to other countries, especially Japan, in strategically important indus-

Νį

She wrote that in some cases, Washington may need to opt for "managed" trade, which involves government control over the amount of imports and exports. And she said she favors maintaining an arsenal of tough trade sanctions

Another Japanese ministry official said he was relieved by the selection of Professor Tyson — but only because she did not get an even more important job.

"It's better having her as chairman of the Council of Economic Advisers than as U.S. special trade representative," the official said. "Her name was brought up many times, so it seemed very likely that she would be joining the Clinton team. The post of CEA chairman is, I think, not so powerful, so this news is sort of a relief to us." (WP)

Gore Maintains a Front-and-Center Position

LITTLE ROCK, Arkansas — At a news conference to announce his new Environmental Protection Agency administrator. President-elect Clinton stumbled over a fact and turned to Vice President-elect Al Gore, standing beside him, for help on that agency's history. "Al knows more about it than I do," he remarked.

The interlude and, more importantly, that the new administrator, Carol M. Browner, was Mr. Gore's candidate, are signs that Mr. Clinton's pledge to make his vice president a serious partner in the new administration may be more than campaign rhetoric.

All presidential aspirants invariably say theirs will be a full partnership with their vice presidents. But with no constitutional role except to preside over the Senate and to break ties in the chamber's votes, a vice president has influence determined solely by

Both in symbolic ways and in some of the appointment debates, Mr. Gore has played an unusually visible role. Compared to recent vice presidents, who have been mostly invisible during the transitions, he has always been part of the picture.

He has been on-stage with the president-elect during key appointment announcements, including Saturday's naming of Ronald H. Brown as commerce secretary and Thomas McLarty as chief of staff. Not only bas Mr. Gore been in Little Rock for most of the private sessions in which cabinet choices have been debated and selected, his chief aide, Roy Neel, also has been there. Besides Mr. Clinton, the

other members of the six-member team are Hillary Rodham Clinton; Warren M. Christopher, the transition director; and Bruce Lindsey, a top Clinton aide. Mr. Gore has put his candidate in the top environmental job, has been credited with eliminating a candidate for a key economic job and is cited as having raised strong questions about a candidate for secretary of agriculture.

Quote/Unquote

Bill Clinton, resigning as governor of Arkansas over the weekend: "I have been in this place many times over the last 14 years, and 1 must say I doo't know bow to do what I'm supposed to do now."

Ex-Treasury Chief Predicts 'Dynamic' Action to Lift Economy

International Herald Tribune
PARIS — W. Michael Blumenthal, the former U.S. Treasury

secretary, calls President-elect Bill Clintoo's choice of economic aides a strong signal that the new administration intends tough action on the hudget deficit. These are all practical, prag-

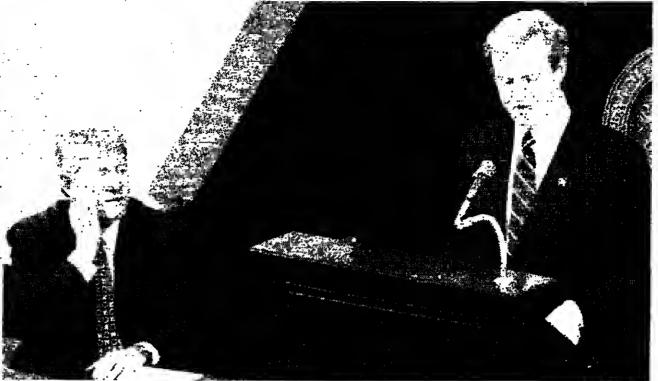
matic people, with a middle-of-the road conservative bent," be said in an interview. "They are on record as feeling strongly that we must solve the deficit problem if the fu-ture growth and stability of this economy is to be ensured.

Mr. Blumenthal, a limited partner with Lazard Freres & Co., said the oewly created National Economic Council would be responsihle for strategic thinking about g-range economic direction.

He said the appointment of Robert B. Reich as labor secretary was an indication that the administradon also intends to focus on infrastructure spending, "including, importantly, training and development of the labor force."

Mr. Bhumenthal added that the new economic direction would be appreciated by foreign govern-ments, long concerned about the budget increases and the fact that the U.S. economy did not seem to

means that the U.S. economy will



An emotional President-elect Bill Clinton watching as Lieutenant Governor Jim G. Tucker accepted the position of governor of Arkansas after Mr. Clinton resigned from the post. The ceremonies were held at the Arkansas state capitol in Little Rock.

"The new policies indicate that the administration is going to work in a dynamic and intelligent way on the fundamental problems, which

foreign products. And because the strong economically." European Community would get a He said that he hoped that as United States politically is an im-

made before the inauguration "be-cause necessarily the new administration is unlikely to be able to go to work on these matters the very next day. "My own experience indicates to

me that delay increases the risk of some kind of backsliding if oot unraveling," said Mr. Blumenthal, who was President Jimmy Carter's first secretary of the Treasury.

"As these long and arduous negotiations come to a close," be said, there will always be voices on each side saying 'Let's wait and try to get a better deal. That is a formula for real trouble because the longer you delay, the more difficult it becomes to get a deal. It's been six years now and I do not believe that the European negotiating partners are going to get a better deal in April than they are going to get in December. That assumes that the Clinton administration is going to give some-thing in concessions that the Bush istration was unwilling to do, and I think that is just totally unre-

Mr. Blumenthal said the choice of Senator Lloyd Benisen of Texas as Treasury secretary and Representative Leon E. Panetta of Caliiornia as hudget director was proof that Mr. Clinton intended to work closely with Congress to achieve rapid action on the economic front,

"To have that kind of bridge, as represented by Mr. Bentsen and Mr. Panetta, is the best possible He said that he hoped that as guarantee that he can achieve cooperation," Mr. Blumenthal said.

Pentagon Protests U.S. Sale of Engine Technology to China

By R. Jeffrey Smith and Dan Southerland Washington Past Service

WASHINGTON — The Bush administration plans to allow a sale to the Chinese military of U.S. technology that China needs for jet engines to power both its own training aircraft and a Chinese ground-attack bomber that will eventually be exported to Pakistan, according to American officials,

The proposed sale of the engine technology has provoked protests at the Defense Department, where some analysts and military officers said the jet engines and associated equipment would enhance Chinese The sale is also opposed by the

recently approved by the Com-merce Department, which concludmerce Department, which concluddiscuss an earlier agreement on the
the sale of up to 150 U.S. F-16
ed that the engine technology was
protection of U.S. intellectual fighter planes to Taiwan. not sophisticated enough to be re-strained by laws governing U.S. ex-the Joint U.S.- China Commission ports of military-related equip- on Trade and Commerce, accord-

The administration's internal dispute surfaced amid last-minute well as many U.S.-Chinese com-jockeying over details of the agen-da for a planned visit to Beijing China of U.S. military equipment. starting Wednesday by Commerce Secretary Barbara H. Franklin and other senior American officials. dissidents in 1989. But one official

ing to aides.
The commission's activities, as were suspended after the Tianan-

diverted to power Chinese cruise missiles carrying chemical, nuclear or biological weapons.

The announced aim of Ms. said an unstated goal of the trip Franklin's trip is to advance U.S. was to signal to the Chinese that business relacions with China and the United States wants to continto put into effect a recent U.S.- ue rebuilding strong commercial Arms Control and Disarmament China agreement to lower Chinese relacions, despite concerns about Agency, officials said. But it was trade barriers against American exports. Ms. Franklin also intends to Washington's recent approval of

> The jet engine technology is meant to be used by the Chinese military from the outset. A spokesman for the manufacturer, Allied-Signal Propulsion Engines, said the deal, valued at roughly \$500 mil-lion, called for 300 to 700 engines to be installed in Chinese Air Force two-scater training aircraft and possibly in more capable military aircraft that China intends to ex-

Officials of several U.S. agencies said they believed the engines could be used with only minor modification in cruise missiles produced and exported by the Chinese military. They also said one of the buyers was a Chinese factory that is under pressure from U.S. busimakes other military missile sys-

But William Dippel, a spokes-man for the Allied-Signal compaoy, called the diversion scenario would be cheaper to design a cruise missile from scratch" than modify the engines in question.

tems and gas turhines.

Ms. Franklin's trip bas raised cychrows among some China ex-perts inside and outside the administratioo because it comes less than seven weeks before such key trade and foreign policy decisions will be turned over to President-elect Bill Clinton and his aides.

Mr. Clinton indicated during the kistan.

presidential campaign that he would be more reluctant than President George Bush to support U.S. high-tech trade with China until Beijing improves its human-rights record. As a result, some officials have speculated that Ms. Franklin oess interests to complete as many deals as possible with Chinese an-thorities before Mr. Clinton takes office Jan. 20.

Commerce Department officials very far-fetched" and said that "it said earlier that the Clinton transition team was not informed of Ms. Franklin's trip to China before it was announced.

Her trip comes at an awkward moment for the administration for another reason: U.S. intelligence experts recently detected what one official described as "very strong circumstantial evidence" that Beijing might have reneged on its promise last year oot to sell new medium-range M-11 missiles to Pa-

Away From Politics

 The three major U.S. television networks appear ready to change after years of criticism about glamorizing violence. Io an unusual joint letter sent hy ABC, NBC and CBS to Senator Paul Simon. Democrat of Illinois, the networks said they would "limit the • The shortfall in U.S. employee pension funds increased to more than \$50 billion from \$40 billion in the last year, the head of the federal agency that insures pension funds said.

The battle between Woody Allen and Mia Farrow for custody of their three children, part of an already ugly and highly publicized clash between the couple, will not be played out on television and radio when it goes to court, a judge ruled. In rejecting the arguments of broadcasters, Justice Stanley S. Ostrau cited the prospect that impending court hearings would involve an airing of Ms. Farrow's charge that Mr. Allen sexually molested their adopted daughter and discussion of the children's emotional condition.

 Breaking with tradition, Duke University has named one of the most prominent women in American higher education, Nannerl O. Keohane, the president of Wellesley College, as its next president. When she takes office on July 1, she will become the first woman to serve as president of Duke and one of only a handful of women in the nation to have led a major research university.

• The Department of Defense has decided to tell shelters and other organizations for the homeless to get rid of more than a million blankets that the Pentagon has distributed in the last six years because some of them contain small amounts of DDT. Research on the eruption of Mount Pinatubo in the Philippines last

year has strengthened scientific views that such major volcanic events can lead to a temporary cooling of the Earth's climate and contribute to depletion of the ozone layer.

• The bodies of eight men killed in Virginia's worst mining disaster in 32 years have been removed from a shaft in Norton after they were killed in an explosion.

● Insured loss from the Instricture that struck Florida and Louisiana in August will probably reach \$15 billion to \$16.5 billion, more than twice the original estimate, according to A.M. Best, a leading U.S. insurance rating agency. A survey of 230 insurers found that many underestimated how severe the average claim would be because they failed to understand how extensive the destruction was.

AMERICAN

TOPICS

Take Steps to Foolproof Home

280,000 people will suffer hip fractures. Three-fourths will be women, and 87 percent will be 65 or older. For balf, the fracture will

require a prolonged or permanent need for nursing-home care or assistance at home.

in three months. Death can result from complications related to the injury, the operation itself or the prolonged recovery period. For those who survive, long rehabilitation is re-

quired. Even then, many continue to require a

Now, the American Academy of Orthopedic Surgeons has begun a campaign to

prompt people to reduce their risk by proper diet and exercise and by foolproofing their surroundings. All living areas should be well limbard.

ighted, with switches at room entrances. In-

stall night lights along the route from bed-room to bathroom and keep a lamp and a

Stairways and steps should bave sturdy handrails on both sides. Avoid dark or pat-

flashlight next to the bed.

walker or a cane.

Hip fractures can also kill. Different studies show that as many as 27 percent of those who require surgery for hip fracture die with-

This year in the United States, more than

Are You Heading for a Fall?

LAT. WP. NYT. AP

Short Takes

The bathroom should have grab bars. Rub-

ber-backed carpeting can help prevent slips on wet floors. Eliminate loose throw rugs and mats. Use portable telephones rather than

long phone cords that can be tripped over. Furniture should not protrude into natural

The prices of antique cars have fallen roughly 20 percent since the boom years of

roughly 20 percent since the boom years of the late 1980s, the Los Angeles Times reports. Chevrolet's 1968 L-88 Corvette sports coupe sold for \$6,500 oew. Five years ago it fetched about \$100,000. Today, that is down to \$67,000. So now, experts say, is the time to buy. But, they add, learn about the market, then buy a car because you like it and believe it will appreciate in value, not because it is trendy or exotic.

A judge's lot is not a happy one, Stella Schindler, a family court judge in New York City, writes to The New York Times. "Sitting

all day is exhausting," she says, and she has gained 15 pounds (6.8 kilograms). Colleagues and friends often don't know how to treat

you; "wearing the robe is sometimes tanta-mount to taking the veil." Lawyers and liti-gants laugh too hard at your jokes. But "there are few comparable jobs that allow you to do

what you believe is right. Everything you do makes a difference. I can change a child's life and direction, give voice to people who have no other forum and insure that rights are

terned carpeting on steps and mark the top and bottom steps with hrightly colored tape.

Weinberger's Election-Eve Indictment Dropped

By David Johnston New York Timer Service

WASHINGTON — A federal district judge has thrown out a one-count indictment against former Defense Secretary Caspar W. Weinberger that was brought four days before the presidential election and created an uproar when Republicans charged that it had contributed to President George Bush's defeat.

In his ruling, the judge, Thomas F. Hogan, said the new charge violated the five-year stat-nte of limitations in the Iran-contra case and improperly broadened the original indictment against Mr. Weinberger that was filed in June.

The one-count indictment was returned by a grand jury on Oct. 30.

"The scope of the case has not changed," said Mary Belcher, a spokesman for Lawrence E

Walsh, the Iran-contra prosecutor.

nett, said the ruling changed the nature of the case by eliminating a central charge against him. "It knocks out the heart and soul of their case, and all that left are some minor capillar-

Mr. Walsh's congressional critics cited the judge's ruling as another defeat for Iran-contra prosecutions in their tangled, nearly six-year prosecution of the arms sales to Iran and the diversion of some of the profits to supply arms to the Nicaraguan rebels. "This is the latest failure hy Lawrence Walsh's high-cost, low-result crusade against Republicans," said Bob Dole of Kansas, the Senate minority leader.

Mr. Weinherger still faces four felony charges based on his notes that accuse him of

lying about the affair.

The new indictment had accused Mr. Weinin the final bours of the race.

But Mr. Weinberger's lawyer, Robert S. Ben-ett, said the ruling changed the nature of the Congress in 1987 that he did not keep regular ootes about his activities at the Pentagon when. In fact, the indictment said, he took thousands of pages of diary notes in office.

The indicument ignited a furor because it quoted a previously undisclosed entry in Mr. Weinberger's diary that sharply contradicted Mr. Bush's contention that be did not realize until after the Iran-contra affair was disclosed in 1986 - that the weapons sales to Iran were an arms-for-hostage deal.

Coming on a Friday before a weekend of last-minute campaigning, the indictment was played prominently in news reports. Mr. Bush was repeatedly asked about the issue and following his defeat, supporters singled out the indictment as the event that damaged him most

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Oxford Cheers, Just a Bit, **Over Success of Alumnus**

New York Times Service

OXFORD. England — Oxford University, the sort of place that resists enthusiasm, is allowing itself to indulge in a bit of interest in Bill Clinton. It has welcomed "the elec-Clinton. It has welcomed "the elecon of the first Oxonian to the
presidency of the United States of
America" and noted his ascension
to a "long list of world leaders who
have studied at the university."

It is unlikely that Mr. Clinton
ever entertained delusions of wild
Oxford celebrations in his honor.

When he returned to his alma mater after being elected governor of Arkansas, the college porter in-to make Oxfo toned, "I hear you've become king Albery said.

of a place with two men and a dog."
One of Mr. Clinton's tutors at Oxford, Sir Maurice Shock, is said to have remarked that Mr. Clinton

would never have become governor of "a very serious state."
But since the presidential election, the college has found reasons

to shed some of its reserve.

Professor John Albery, master of
University College, declares himself "totally delighted" by the election of an alumnus as president of the United States.

Oxford also feels that the victory

settles a score. "George Bush tried to make Oxford a dirty word," Mr.

15 pounds it would be the best job in the world."

Alerted by passer-by, policemen in Lilly, Pennsylvania, closed in on a gunman in a video shop only to discover that he was a lifesize cardboard cutout of Denzel Washing-

About People

Pierre Salinger, ABC's chief foreign correspondent and former press secretary to President John Kennedy, recalls that after the Bay of Pigs disaster, Mr. Kennedy publicly took all the blame. Soon after, a Gallup-Poll showed that he had about 80 percent support of the American people. The president called Mr. Salinger into his office and said: "Did you see that noil this morning? I have I don't you see that poil this morning? I hope I don't have to keep doing stupid things like that to remain popular."

Arthur Highee

Linda Mutchnick of Bensalem, Pennsylvania, who carries a gun as a paralegal, has designed a line of women's clothing to accommodate weapons. She said she was driven to this by tight jackets that showed the bulge of the gun, and by waistbands too flimsy to hold a weapon. She advertises, "Finally, there is a line for firearm-capable women's apparel that is functional, form-fitting and fashionable." Her line features unusually roomy jackets and vests and heavily reinforced waistbands and skirts, strong enough to sup-

ton holding a pistol to promote his recent film "Ricochet."

Thi -mo

Herald International Tribune & Published With The New York Times and The Washington Pros

Disarming the Thugs

Americans take quiet pride in the army they have sent to help relieve Somalia's agony, but as Operation Restore Hope rolls on a nagging doubt arises. After years of chaotic civil strife, Somalia is awash in guns and gunslingers. What is the sense of temporarily keeping the peace, so that starving Somalis can be fed, if the thugs who prey on them keep their arms?

The underlying question is scarcely limited to Somalia. In other far corners of the world, even after civil wars have ended, zealots cling to their weapons, imperiling civilians, outside peacekeepers and peace. Defiant belligerenis mock overstretched United Nations monitors in Bosnia, Cambodia and Angola. The Security Council even now debates sending 8,000 more troops to supervise a cease-fire and elections in Mozambique.

In Somalia, President George Bush has ducked on the matter of disarming thugs.
At Washington's insistence, the Security Council resolution authorizing intervention made no reference to disbanding local armies. Pentagon briefers pronounce limited aims: a quick foray to assure safe delivery of food and medicine to those who need help so desperately, and then leaving longer-term

peacekeeping to a smaller UN force.

That is glih and wishful, as is clear from the realism sounded by at least one administration official, Herman Cohen, the assistant secretary of state for Africa, speaking in Nairohi: "The U.S. military involvement will be limited, but troops will liaise with the UN with a view to establishing some form of governmental authority. This will take between six and 12 months." Yet, confusingly, only a few days ago the White House was saying that the troops would be bome by Jan. 20, inauguration day. Bill Clinton rightly declines to second-

as to the general question of disarming thugs, he has called for bolder UN enforcement of a no-flight zone to keep Serbian planes out of Bosnia. And be talks emphatically about expanding the United Nations' role in crisis management. When his foreign policy team is in place, the president-elect would do well to hear out UN Secretary-General Butros Butros Ghali on the need for "peace enforcement" units whose costs, command and dangers could be shared.

In Cambodia, the refusal of Khmer Rouge rebels to surrender their arms has imperiled a long-sought peace. In Angola, Jonas Savimbi's rebels were able to keep their arms, enabling them to defy the United Narions and betray a promise to abide by free elections won by their rivals.

That pattern could be repeated in Mozambique, where government and rebels have ended a 16-year civil war with an agreement to hold elections. Mr. Butros Ghali wants the Security Council to send troops, police and civilians in a major UN operation that would oversee the return of 6 million refugees, food distribution, elections, and demobilization of private armed groups.

All this may be too much for the United Nations, whose ad hoc peacekeeping opera-tions are already stretched thin. Keeping the long-run peace in Somalia may be too big a job for the United Nations. But what is the alternative? To let children starve, and let cutthroat gangs massacre innocent civilians.

Gradually, if not immediately, and with more money and clout, the United Nations can provide the thin blue line required for world order. Mr. Bush offers soldiers for the moment; in so doing he imposes on the new Clinton team a much heavier, more permanent burden in the elusive quest for peace. -THE NEW YORK TIMES.

Dark Days in Moscow

Pro-reform Boris Yeltsin, elected democratically, tried to work out a compromise with Russia's substantially anti-reform Congress, elected undemocranically. But the Congress defied him, and a frustrated President Yeltsin demanded a quick allor-nothing popular referendum on whether be or Congress should lead. It was a bold. even incautious move in which be was risking repudiation for himself and reform if he lost and society-wide polarization if he won. On Saturday be announced a more

blurred, power-sharing way.

Here is Russia's dilemma. It needs the rule of law. But a conservative Congress elected in 1990, before the Communist Party and the Soviet Union disintegrated, has kept lawmaking in anti-democratie and anti-reform hands, and thereby prompted Mr. Yeltsin to rule by the power of decree
—not a bealthy habit. Russia needs democracy, but the element of it that Mr. Yeltsin has tended to invoke is an appeal to the people over the head of the legislature.

The political impasse plays directly against the steps needed to avert economic collapse. Conservative bureaucrats beyond the control of Mr. Yeltsin and his government continue to pump out industrial subso is the mood in Moscow. sidies, threatening a fatal byperinflation. It

was precisely his attempt to keep reformist Prime Minister Yegor Gaidar in place to meet this threat that produced last week's political eruption in Moscow.

Russia needs economic reform urgently. The resisting industrial lobby in the Civic Union plays to fears of mass unemployment and has to be propinated, but not excessively. The Gaidar program remains the country's best hope to avoid collapse, escape socialism and deepen partnership with the free-market West. But, as recent events demonstrate. Russia needs constitutional reform no less urgently. That means a legislature elected under post-Soviet and post-Communist conditions, and a president empowered to act but respectful of parliamentary authority. It also means difficult as it is to imagine in the current

fevered circumstances — a minimal civility.

Mr. Yeltsin apparently is still seen as the one plausible leadership figure in Russia. But no one can be regarded as irreplaceable. The Russian people, despite the hardship of daily life and the confusion that masks their future, continue to exhibit

-THE WASHINGTON POST.

Clinton's Managers

Bill Clinton's announcement of four scleen've subsidies for industry. Yet he, too, more high-level appointments on Friday champions major investments in education made it elear that he intends to run a problem-solving administration—creative but not ideological, energetic but not confrontational. His managers, be said, must and workplace skills. That is the centerpiece of Mr. Clinton's strategy for spurring growth by "putting people first"—a strategy that Mr. Reich helped design. know "the limits of what government can do as well as what government must do."

Three of the four are women, reflecting Mr. Clinton's pledge for a diversified administration. Laura Tyson, an economist at Berkeley, will head the Council of Economie Advisers. Carol Browner, Florida's top environmental official and a protégée of Vice President-elect Al Gore, will run the Environmental Protection Agency. Donna Sha-lala, chancellor of the University of Wisconsin, will lead the Department of Health and Human Services. The Harvard lecturer Robert Reich will become labor secretary.

Ms. Tyson describes herself as a "cantious activist." She has been accused, wrongly, of protectionism, but she does call for retaliation against protectionism by other countries. And she would subsidize U.S. industries that promote advanced research. train skilled workers and otherwise spin off large benefits to the rest of the economy. All this gives beartburn to many economists who preach free, unsubsidized markets and multilateral solutions to trade problems. Unlike Ms. Tyson, Mr. Reich opposes

Ms. Shalala is a more curious choice. A skilled backstage negotiator, she received high marks for her stewardship of New York City's Hunter College and the University of Wisconsin. Yet she is primarily an educator. The two most pressing tasks facing her department are reforming the welfare system and overhauling medical care. Ms. Browner, the choice for the EPA. faithfully reflects Mr. Clinton's vision of artful activism. Few officials face more difficult choices - choices between jobs and environmental protection, between committed environmentalists and businessmen who, as Mr. Clinton observed on Friday, are often disheartened by complex and sometimes contradictory regulations. Ms. Browner won compromises on several thorny issues in Florida, satisfying environmentalists without enraging industry. Her strength was her ability to steer all parties toward agreement by balancing competing interests and avoiding ideological combat a defining and useful trait in all of Presidentelect Clinton's appointments thus far.

Other Comment

India Back From the Brink?

India's economie problems are huge and [P. V. Narasimha] Rao, by not being firm enough soon enough in the Ayodhya affair, has squandered some of the authority needed to keep his party in line. The destruction of the mosque has now brought from the dhi and Rajiv Gandhi. On each occasion prime minister commendably forceful reac- India has stepped toward the brink of tions, among them a welcome promise to rehuild the mosque. Yet some of the government's firmness runs the risk of inflaming Hindu passions still further.

Risk, however, is not the same as cer-

tainty. India's cracks are so many and manifest that its unifying resilience is sometimes overlnoked.

- THE NEW YORK TIMES.

The truth is that Ayodhya's violence is the latest in a line of crises, including the storming of the Sikh temple in Amritsar and the assassinations of Mahatma Gandisintegration - and then stepped back. Rational Indians, whatever their religion. should realize that secularism keeps their country on the safe side of the brink.

- The Economist (London).

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Never Again? Beware, Europe, Cynicism Is Contagious

N EW YORK — The day will soon come when two groups of leaders are charged with crimes against humanity in Bosnia; the Serbs who kill Muslims or drive them from their bomes, and the Western leaders who do little to stop this unspeakable brutality.

The Serbian policy of "ethnie cleansing" is worse than a crime; it is evil. The West's failure

If Europeans once again ignore genocide and evil and decline to be their brothers' keepers, Americans may not want to be Europe's keepers much longer.

to confront this evil is worse than a blunder; it is an abdication of our humanity.

We are speaking here not just of quagmires, but of our souls. For if we allow evil to triumph pervasive and profound as to corrode the very basis of Western liberty and sis of Western liberty and smash every hope of fashioning a better world.

The West's faint efforts in Bosnia — refusing By Leslie H. Gelb

to arm Muslims for self-defense, but not defending them ourselves; banning Serbian flights over Bosnia, but not enforcing the ban; denying asylum to refugees, but failing to estab-lisb safe havens for them within Bosnia amount to unconscionable cynicism.

It is as if we were given the chance to replay history and confront Hitler as his troops marched into the Rhineland in 1936 — knowing all we now know - and once again simply scolded him and shrugged.

To countenance genocide, and that is what the Serbs are doing, is to say that evil does not matter, that nothing matters, and that therefore

almost anything is acceptable. Some of our ex-leaders see this with dagger-like clarity. Rallying to Margaret Thatcher's trumpet, Ronald Reagan recently told students at Oxford University, "Evil still stalks the planet." Of Bosnia he said: "Our multilateral organizations must declare ethnic cleansing and the slaughter of civilians by military forces unacceptable. And we must be prepared to put

weapons behind our words,"
George Shultz, his secretary of state, reinforced this point last week with barely con-

trolled rage: "When we say 'Never forget, never again,' what are we talking about? What is it that we shouldn't forget? Of course, the Jews in Germany, and, of course, what can happen if anti-Semitism gets out of hand. But more broadly we're saving, when forces of intolerance go wild you get a result that is basically intolerable. So if we say Never again, it means

we say we shouldn't stand for that." But our present leaders do not agree. Listen to those who oppose stronger action in Bosnia. They say we cannot commit greater force there for "merely bumanitarian" reasons. Listen again: "merely humanitarian" reasons.

When we come to think of humanitarian concerns as "mere," we are arriving at the end of civilization.

Bush administration officials and West European leaders also tell us that sending 30,000 U.S. forces to Somalia is acceptable, although "merely humanitarian," because the task there is "easy." On the other hand, they say that applying more force to stop genocide in Bosnia is "ton hard" and will draw us into a quagmire.

This argument is both grotesque and absurdly misleading. Grotesque because combating evil cannot simply be dismissed as "too hard." The degree of difficulty limits what it is possible to do and affects the choice of means, but it

does not alter the moral imperative for meaningful, uncynical action. Misleading because the real alternatives in Bosnia are not the present halfhearted relief effort and a quagmire. As Mr. Shultz argues — and he is no bleed-

ing-heart liberal - Bosnia presents "a definable, doable mission, and it doesn't involve getting into a swamp." The democracies can arm the Muslims, en-

force the trade embargo and the flight ban over Bosnia, bomb Serbian forces in Bosnia and military targets in Serbia, threaten to arm Serbia's opponents elsewhere in ex-Yugoslavia and provide safe havens in Bosnia.

Most of these steps are beyond the vision and

will of the departing Bush team. Bill Clinton leans toward more decisive measures, but his administration will not take hold for more than a month. That places the burden for immediate and strong action in Bosnia squarely on Europe. If Europeans once again ignore genocide and evil and decline to be their brothers' keep-

ers, Americans may not want to be Europe's keepers for much longer either. Cynicism is indeed contagious. Americans may come to believe that helping Europe through its latest continentwide trials is "too hard" for "merely humanitarian" reasons.

The New York Times.

Empty Threats Won't Stop Milosevic

WASHINGTON - George W Shultz is a man of very few words. A former staffer describes the effect when Mr. Shultz was abruptly named to replace Al Haig as secretary of state in 1982: "ft was like going from sitting on a couch beside a hottle of nitroglycerin that could tip over at any moment to sitting beside a vast, immovable boul-

der that grunted once in a while."

The boulder recently spoke, uttering rare public words of outrage and shame over the inadequate American and European response to the Serbian rape and destruction of Bosnia. Mr. Shaltz's angry words must be taken seriously by all Americans, in-cluding those of us who had been understandably reluctant to support U.S. military involvement in the bit-

ter conflicts of ex-Yugoslavia.
We have empty threats and nobody takes them seriously," he said in a speech in New York last Monday. Speaking of Serbian military targets, he added; "We should be ready to take them out. We can do it." He called on the United Nations to investigate Scrbian war crimes and "ethnic cleansing," which he com-pared to Nazi arrocities against the Jews in World War IL.

But within 24 hours the United States was left without even the emp-ty threats that Mr. Shultz had deplored. Meeting strong opposition from France and Britain, Washington backed off from its plan to seek yet another United Nations resolution to wave at the Serbian leader Slobodan Milosevic in the forlorn hope that this time he would listen to reason.

The British and French refused to go along with yet another empty threat that would irritate but not affect Serbian behavior. London and Paris seemed to be sending the same message to Washington that Mr. Sbultz bad voiced: The Bosnian

By Jim Hoagland

crisis has reached the time for the West to put up or shut up. America's policy of trying to contain the Serbs with words and a leaky embargo has failed in Bosnia.

Britain and France have 7,000 soldiers in the UN bumanitarian force delivering relief supplies in Bosnia. Those troops are increasingly under siege from Serbian forces grabbing territory and terrorizing Bosnians before the Balkan winter limits the

Serbs' beavy war-making ability.
"I hope I get a lot of winter very soon," a British commander told a French general in a radio transmis-sion a few days ago, "because if I don't, i'm going to get a lot of Serbs." The Serbs are using helicopters to

evacuate wounded and to move officers and troops around Bosnia. Fixed-wing aircraft fly reconnais-sance missions. Intelligence reports show that there bave been nearly 200 Serbian violations of the UN ban on military flights over Bosnia since the ban was passed on Oct. 9.

The U.S. proposal that was blocked in behind-the-scenes consultations with Britain and France centered on the no-flight zone. The United States wanted to ask the Security Council for formal authority to enforce the overflight ban. But at the same time American officials emphasized privately that they counted on the Security Council vote itself to pressure the Serbs into stopping flights. No deci-sion had been made by the Pentagon to shoot down Serbian aircraft even if the resolution passed.

"It was another example of containment through words as a substitute for containment through action" said an American official

involved in the consultations. "There was no reason for Milosevie to take it

T he only way to bring peace to Yugoslavia is to send soldiers there. These soldiers in effect will have to hold guns to the heads of the combatants and demand that they stop their slaughter. European and American leaders rightfully shrink from this prospect. They realize that enforcing peace on the ground would take months of intense fighting and years of attrition.

Western leaders grasp that even when "peace" is won, it can be maintained

Better to Steer Clear of the Balkans

only by troops indefinitely stationed between hostile tribes. These leaders understand that peace in Yugoslavia ultimately requires highly coercive measures, including the large-scale resettlement of minorities to create stable states. In short, these leaders know that ending the killing requires a savage war of peace, brutalizing to all concerned.

- Benjamin Schwarz in the Los Angeles Times. THE civil war in what was Yugoslavia is a religious war, deeply rooted in that most totalitarian of religions, Christianity, whose numerous sects often fight each other. Wisely, the United States does nothing. We are too poor and too far away to put an end to the fighting.

Also, we have quite enough race class-religious wars here at home to keep us busy for another century. Now, of course, it is too late for us to influence great events in other lands. Time to detoxify our own garden.

By Stephen S. Rosenfeld

WASHINGTON — Somalia is Currents flowing from a lameduck, foreign affairs president's much as anyone, he is its author as well as its executor. He made it vention, in short, was rushed.

happen by endorsing a new post-Cold War mission of peacekeeping and humanitarianism and by re-

leasing the military's brake on risk

On the eve of the intervention,

General Powell laid out his ratio-

nale in Foreign Affairs magazine. His prescience does credit to an

uncommonly political soldier, "po-

litical" meaning global and Wash-

Only last year General Powell

was dismissing the very idea of spelling out how American power

would be deployed. The Gulf War

had left him saying giddily that it was enough for the United States

simply to be a superpower. He was impatient at the thought of defining

specific standards for military in-

tervention. But he has since ad-

dressed these escential questions, in

part to fill a Pentagon requirement

for military missions ample and popular enough to justify a budget.

weighing post-Soviet regional con-

tingencies. Is the political objec-

tive of intervention clear? Have

nonviolent alternatives been test-

ed? Will force do the job? Are the

In Somalia, not all these stan-dards have been fully met. General

Powell is good at charts, and his

statements hint of no doubt. But it

he did not factor in the wave of

compassion that images of Somali

suffering generated and that in turn

nourished George Bush's readiness

eems to me that in his strategizing

risks acceptable?

Now there are standards for

in this particular case.

ington at the same time.

- Gore Vidal in the Los Angeles Times.

Trying a Powell Doctrine in Somalia

Still, it is worthy. We Americans should not strut. In our Cold War mode we created the monster, the

deposed strongman Mohammed

Siad Barre, who hollowed out So-mali society and spawned the pre-

vailing anarchy. But we can be dis-

creetly proud of this first use of

force for humanitarian purpose in a

region of no strategic significance to the United States. A Republican

administration, no less, is setting a

historic example to assert a starving

Some Americans warn that one,

two, many unhappy Somalias are

coming. More hopeful, others see

either a global precedent of bumani-

tarian intervention or a regional pre-

cedent in bailing out the depressing

number of misgoverned African

states that, off camera, look to be

following Somalia down the tube.

As a practical matter, given the

sound reasons for attempting just

one difficult thing at a time, the

odds are that other such interven-

tions will not be seriously consid-

ered at least until the results of

has set itself a delicate task: to see

to it within just a few months that

the guns fall silent and that starving

people are fed, but to hand off

political reconstruction and nation-building to the United Nations.

General Powell calls for "careful

matching" of the use of force to the

the high cards — firepower and food

- in American hands, how are

This leaves tough questions. With

Inside Somalia the United States

Somalia are in.

poblical objectives.

Nor did be factor in the subtle Americans not to exercise prepon-

people's right to food.

any more seriously than the other warnings we have given that we have

not been willing to back up."

This has been the fundamental flaw in American policy in ex-Yugoslavia. Early and repeatedly, U.S. policymakers have communicated to the Serbian dictator threats that they had no intention of carrying out. The Bush administration has openly advertised its lack of political will to act in ex-Yugoslavia.

There are no easy choices. Aerial assaults to punish the Serbs could well reinforce Mr. Milosevic's standing at home, endanger French and British troops on the ground and trig-ger bloodshed in the province of Kosovo and a wider Balkan war. Those risks have to be weighed and action

taken to minimize them.

But George Shultz is right. Aerial strikes on Serbian military targets must now be considered. The crisis in Bosnia bas reached a new, urgent dimension, as a new American administration comes to office. The consequences of the world looking on at barbarism and aggression on this scale and seeming to react with indif-ference are damaging and destabiliz-

ing for all of Europe.

America and its allies should deliv-



er one final, credible warning directly to Mr. Milosevic, outside UN channels, calling on him to enforce a cease-fire in Bosnia and prevent anti-Muslim atrocities in Kosovo. The West must insist on Serbian cooperation in getting several thousand civilian observers into Kosovo and should begin organizing a much larger deterrent force to be deployed in neighboring Macedonia.

Would a serious ultimatum in-duce a change in Slobodan Milosevic? Impossible to say, If he rejected it, the resulting air campaign would probably not save Bosnia. But it would go a long way to restoring and saving the sense of decency that George Shultz fears is being shredded by empty threats and Western

The Washington Post.

Vicious Rape, Planned and Systematic

AGREB, Croatia - What is hap-L pening in Bosnia-Herzegovina to Muslim and Croatian women seems unprecedented in the history of war crimes. Women are raped by Serbian soldiers in an organized and systematic way, as a planned crime to destroy a whole Muslim population, to destroy a society's cultural, traditional and religious integrity.

The numbers are chilling: In Oc-

tober the Ministry of Interior of Bosnia-Herzegovina estimated that 50,000 women and girls had been raped and many impregnated on pur-pose, ft is feared that since then the number has risen even further. The ministry documented 13,000 cases. Journalists and feminists have interviewed women in refugee camps in Croatia. Through their stories, the

world has discovered the tragedy. In the civilized world rape is a crime. Mass rape is a method of geno-cide that should become a war crime and be outlawed in international conventions. The lives of tens of thousands of women have been destroyed: the world owes them at least that.

The following are victims' accounts. Z.N., aged 40: As soon as Chetniks [Serbs] came into our city, they selected women, children and the old people; men were taken to a concentration camp with an excuse that they were mobi-

derant political influence? What about disarming gunmen, an un-

avoidably provocative act by which

uninvited foreigners forcibly strip Somali citizens? How do you ent

early appeals to return, in the allot-

ted few months? Can Americans

education in Somali politics proceed

at a pace suitable to American politi-

cal requirements, and to Somalia's?

en from the state of affairs described

in the press: the old government disintegrated and warlords and ban-

dits running free. But there still exist

regions of relative order, and the

former UN representative, Moham-

med Sahnoun of Algeria, had al-

ready begun knitting clan elders and some national-minded figures into a

political process. Secretary-General

Butros Butros Ghali, by the way, should swallow the United Nations'

pride at being criticized by a hired hand and put Mr. Sahnoun, an inter-

national resource, back on the job.

from General Powell's appointment

of an independent-minded Somalia

hand, former Ambassador Robert

Oakley, to guide him through the political shoals. Mr. Oakley will ad-

vise not just on getting the Ameri-

can military into place but, presumably, on launching a Somali peace

conference. He took part in a U.S.

Institute of Peace study group in-

cluding prominent, consensus-seek-

for his role in preparing and oversee-

ing the military forces that took part in the Gulf War. Now he takes on a

mission that is comparatively simple

militarily but politically extremely

demanding. He and practically no-

body eise is making the end of the

The Washington Post,

administration interesting.

General Powell won new respect

ing Somalis this fall.

I take further encouragement

Some encouragement can be tak-

By Slavenka Drakulic

lized. They put bundreds of us in a school in Doboj and they turned it into a kind of camp. Our Serbian neighbors locked us in. I knew many; they used to visit our bouse. [followers of Milan Martie, a Serbian leader] came in with guns and selected younger women and girls. They put them in the hall and told the Chetniks to do with the women

what they pleased. There was silence. Then the crazy. dirty, stinking Chetniks jumped at the women like animals; they tore off their clothes, pulled their hair, cut their breasts with their knives. They would cut the belly of the women who wore the traditional Muslim baggy trousers. Those who screamed would be killed on the spot.

In front of a few hundred prisoners they raped and tortured women and girls for days. It was unbearable to watch girls being raped in front of

their fathers.
In the evening, after beavy drinking, the Chetniks would come in the hall with lamps. Stepping on us, they would look for girls, not older than 12, 13. The girls cried, bolding on to their mothers. As they were taken, pieces of their mothers' clothes re-mained in their hands. While doing that, the Chetniks would shoot at us. Later they would leave the girls' dead bodies in the ball, so we had to see them. We cried until morning.

the river. Every day the same picture was repeated; they would rape and kill in front of bundreds of us. Once a young women with a baby was taken in the middle of the hall. ft was in June. They ordered her to take off her clothes. She put the baby on the floor next to her. Four

Then they would throw the bodies in

Chetniks raped her; she was silent, looking at her crying child. When she was left alone she asked if she could breast-feed the baby. Then a Chetnik cut the child's head off with a knife. He gave the bloody head to the mother. The poor wom-an screamed. They took her ontside and she never came back

I was raped and tortured, too, because they knew that I am a wife of a leader of the Muslim party. My neighbor tortured me the most, the one my busband respected as his

own brother.

By the end of June, Chetniks brought another neighbor of ours and with a gun pointed at him they forced him to rape a 14-year-old girl. He stood trembling and stuttering with fear. Then be turned to a Chetnik he believed was a leader and said: "Don't make me do it. I have known her since she was born —her father and f drank to her birth."

They beat him in front of as until he died, ft was an example to the other Serbs that there is no pity, that one must do what leaders order them to do.

In August some prisoners were exchanged, including me and my sons. Many women and girls who were pregnant remained in the camp. They were transferred to a hospital and fed twice a day because, as the Chetniks said, they had to bear their offspring.

E.N., aged 14: That commander was a big, fat, dirty old guy. He had gray hair with a white tuft at his forehead. He stank of brandy, really stank. He had a mask on. He nodded toward me and ordered me angrily to stand up. We went in one room; my legs mbled, I couldn't walk at all.

He then pushed me, but I trembled terribly and inside me everything trembled, f thought he would slaugh rembled. I thought he would slaughter me and f couldn't even pray.

"Please, don't" — I beg him. Then be pushed me, hit me and threw me on a bed, tore off my dress and hit me again. He put his hand over my mouth. I screamed again. He hit me; he shouted at me. he shouted at me.

E.N.'s mother: E.N.'s mother:

I heard my child screaming. She called for help, f heard his grunting, his howling. My womb hurt as if someone is pulling it out. My mind darkened, but there was nothing f could do. My child was suffocating under his list, f heard him: "Is it good, you dog?

He repeated the operation will also He repeated the question until she nodded yes. He asked if she wants more. I heard her pleading. Please, don't." He went out of the room and said angrily to me, "Don't let anyone touch the little one."

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Russia and Rome

Vatican and Russia have become extremely cordial. The visit of the Grand Duke Sergius to Leo XIII was a symptom of this friendliness, and the goodwill of the Vatican towards the Government of the Czer has not been confined to words, but it has found practical expression in a brief addressed to the Polish bishops, in which they are exhorted to abandon and discourage insurrectionary tendencies, and to submit to the will of Providence which has made them subjects of the czar.

LONDON - This is Berlin's report of the fall of Jerusalem: "Jerusalem has been evacuated. The most important reason for the decision to evacuate it voluntarily was the fact that no nation in the world which believes in God could wish its sacred soil to be a scene town, worthless from a military point of view, was of no importance in comparison with this consideration."

1942: Vichy Collaborates

LONDON — [From our New York edition:] Marshal Petain has agreed to Führer Hitler's proposal to raise a new French army, Vichy and Berlin radios announced today [Dec. 13] as the Fighting French at London reported Hitler had ordered 400,000 French workers conscripted for war work in Germany. Both steps indicated closer co-operation between Germany and the French government of Petain and Pierre Laval. Berlin radio also announced a press conference held by Laval today in which he for the first time outlined a big program, which included new anti-lewish measures and other steps to put France in line with Hitler's new order. Laval. admitted that "a lack of understand-

ROME - Relations between the

1917: Jerusalem Waits

of bloody battles. The keeping of a

ing shown by the public opinion in France still is forming a wall of separation between France and Germany."

ملذا مندلاصل

OPINION

Humanitarian Intervention Has Its Hazards

EW YORK — In light of the wave of approval for the dispatch of American combat forces to Somalia, it may seem churlish to voice reservations. The objective is noble and some kind of international action is appropriate. What is questionable is the timing and the unilateral oature of the American role in a continent heretofore free of American military presence.

Normally, one would not expect an enterprise with such potentially longterm consequences to be lauoched in the last five weeks of a presidency. The president-elect is as yet without a na-tional security team to help him make his own assessments. His entourage has been careful to oote that although he is supportive," he did not participate in the actual decision. He will therefore inherit commitments that he has had no part in shaping - oot the ideal circumstance for a sustained effort

should anything go wrong.
It is unlikely that the mission assigned to the expeditionary force can be accomplished as quickly or as smoothly as administration briefings foresee.

According to General Colin Powell,

the Pentagon envisages a two-phase oper-ation: First the U.S. forces are to create a secure environment, then a multinational United Nations force will protect it. That

first stage could be prolonged.

One must hope that the forces described as bandits in the media do not keep abreast of American public discussion. They may decide to he low, neither harassing nor disarming, hide their weapons or take sanctuary in Ethiopia and face America with the dilemma of withdrawing prematurely or continuing what may then be an open-ended commitment.

To escape this dilemma, the U.S. force will almost certainly try to force the various armed groups to disarm - as some administration spokesmen have already indicated. This could turn into a messy affair with significant casualties, especially on the Somali side

When blood has been shed, support for the American military action may evaporate, especially in Africa. Former colonies have developed an allergy to anything that smacks of the "civilizing

role" that European empires claimed for themselves on African soil. As difficult as establishing the dividing line between the security function and its follow-up will be making the crucial dis-tinction between humanitarian efforts and the civil conflict over who controls Somalia. Civil wars are about the distribution of power, physical and political. The process of disarming will by definition affect the relative position of key competitors for political power — as we have learned again in Cambodia.

Should disarmament go as planned, some sort of governing structure possessing preponderant power must be left in place. All this obliges the United States to understand Somali conditions well enough to manage the situation in a way capable of achieving an internatiooal, especially African, consensus. was insisted in Washington. The lesson that ought to have been learned was not to think ideologically.

But can Americans possibly know enough? And if the key challenge is

By Henry Kissinger

political, why should America choose to play that role alone or be the only country to ruo significant military risks? Intervention in the civil conflict seems inherent in the U.S. role, Food will have to be distributed, a process in which some groups of Somali officials must be involved. These will automatically re-ceive an edge in establishing political domination afterward.

Once media and other observers descend on the scene, they are certain to find conditions deeply offensive to the Western sensibility. They will urge a whole variety of initiatives, from ending corruption to the administration of justice, that make eminent sense in the Western context. None can be accomplished without greater intervention. Sooner or later, no matter how wellintentioned, such conduct will begin to grate on African sentiments that in turn will tend to undermine domestic Ameri-

can support for the operation.

If the Somali bandits are so poorly armed, why was America's technological and military superiority so crucial? The United States may be the only country with sufficient modern equipment for rapid intervention, but this, involving mostly transport, could have been put at the disposal of other countries. the disposal of other countries.

Since reform depends on moral issues which are presumably of universal validity, why were no other countries in-volved in the first and most complicated phase, in particular the Organization of African Unity? The Bush administra-tion would have been far better off to gear the intervention from the beginning to what is now conceived as the secondstage multinational force.

PARIS — Policymakers think in metaphors, and for American interventions abroad the metaphors are few: Vietnam, Lebanon, the Gulf. Each is supposed to supply something useful in making decisions about Somalia and Bosnia — or Azerbaijan-Armenia, Cambodia, Burma, Sudan, Liberia, not to speak of Mozambique. Now the United Nations secretary-general, Butros Butros Chali, ass asked for troops to put up the United Nations'

has asked for troops to put up the United Nations'

colors and keep the peace in Macedonia.

Consider the metaphors. For Americans, Vietnam means unresolvable entanglements in another country's violent internal political struggles (or its

revolution). Lebanon means the same thing, except that the internal conflict was religio-political this time, and the United States put itself into a situa-

tioo where four other uncontrollable actors deter-

mined what would happen; the Palestine Libera-tion Organization, Israel, Iran and Syria.

The rationale for the intervention in Vietnam was

to save South Vietnam from Communist aggression,

Unfortunately, there was no aggression; there was insurrection. North Vietnam was not a foreign power; it was that part of the Vietnamese nation which

had first expelled the foreigner. China had no deci-

sive role in Vietnam, contrary to what stubbornly

The Bush administration would have been well advised to sacrifice some military efficiency to wider political backing but two factors inhibited it: the new Pentagon approach toward military intervention which says that never again must American military power be vitiated by political restraint; and another new philosophy that differentiates between hu-

manitarian and strategic intervention. The military view that, once emploved. American force must be overwhelming reflects the supposed lesson of Vietnam. It has much merit, but it must also be said that in Vietnam the military contributed to their own frustration by a

misconceived military strategy.
In any event, the lessons of Victnam or Korea cannot be transposed literally to humanitarian intervention. In a strategic war there is a concrete enemy, and victory has some fairly precise defini-tion. In Somalia the enemy is more elusive: hunger and chaos, the solution to which has a much longer time frame. In Vietnam, American military effec-

tiveness was reduced by domestic and international inhibitions; in Somalia the risk is the opposite - turning a humanitarian enterprise into an essentially American military effort disconnected from political realines.

The new doctrine of "humanitarian

intervention" is based on the proposition that, the end of the Cold War having removed the strategic threat, traditional military operations become much less important. Moreover, so the argument goes, excessive concern with security led to strategic overextension and an illusion of American omnipotence. Therefore in the post-Cold War world the United States

By William Pfaff

The Gulf War was a clear case of aggression.

U.S./UN intervention reversed the aggression, even if the aggressor regime comfortably survived. The

lesson confirmed at the Pentagon was always to use

overwhelming force, and the lesson drawn at the

White House was not to stop before overturning the aggressor government. However, the reason the

United States did not go on to try to impose its will on Iraq's political society was that the White Hoose had learned the lessons of Victnam and Lebanon. No sensible operational rationale was ever of-

fered for the American intervention in Lebanon in

1983, which produced the death of 241 marines at

the hands of Islamic fundamentalists. The lesson

the military learned from the experience was never

to permit their security to depend upon others, and

always to demand clear-cut objectives.

The latter are not always available, however. The American objective in Somalia is to "restore hope."

What does this mean in tons of food delivered,

medicines administered, roads opened (to be kept

open), clausmen disarmed, infrastructure restored?

How will restored hope last beyond Jan. 20 if the United States or the United Nations do not re-

'create some kind of Somali political authority?

would be well advised to fight primarily for humanitarian and moral values, and not simply for its own interests.

In fact, moral purpose has been an integral part of the motivation of every American war in this century - from the "war to end all wars" in 1917, to resisting totalitarian evil in World War II. to the light against Communist aggression in Korea and Vietnam. From Woodrow Wilson through George Bush, the altruistic aspect of American foreign policy has been a dominant presidential theme. The new approach claims an ex-tension in the reach of morality, not in the significance attached to it.

fights where it has oo strategic interests. Whenever American lives are at stake, so is a conception of vital interests — or else the sacrifice mocks the anguish of bereaved families. The world of the '90s demands of America a new definition of vital interest, strategic as well as moral. In the traditional world of geopolitics, there is oo longer a danger of an imme-diate, almost measurable peril. But there

We must not pretend that America

remains the historic danger of a gradual transformation of the security framework through a cumulative series of steps, none of which will appear individually as overwhelming as the threats of the Cold War were. In Kuwait the United States resisted

because George Bush concluded that the consequences of submission would ultimately lead to far greater American sacrifices. As the '90s progress, comparable judgments will be increasingly required on as yet unforeseeable issues. If the United States wants to avoid the extremes of overextension or abdication, it must develop new criteria separating challenges affecting American well-being

Vietnam, Lebanon, Gulf — but Does Anybody Remember Munich?



and security from those which, however

unpalatable, cannot have that impact.
"Humanitarian intervention" asserts that moral and humane concerns are so much a part of American life that not only treasure but lives must be risked to vindicate them; in their absence, American life would have lost some meaning. No other nation has ever put forward

The more abstract nature of humanitarian intervention therefore involves an

such a set of propositions.

And how is that to be done? The Somalia pro-

blem is anarchy. Starvation is due to chaotic clan

conflict. The situation bears a superficial resem-

blance to Lebanou, but a misleading one in that the Lebanese factions all were purposeful, disciplined

and rational within their own terms, and none of

The United States has intervened in the belief

that it can deal with the starvation and ignore the

The other African societies that are candidates for intervention are in much the same condition of

political and social breakdown. People are hungry. They need government, police and public order,

reconstructed economies and agriculture. Mr. Bu-

Elsewhere, atrocious crimes invite intervention:

"ethnic cleansing" in Bosnia and Croatia, and the beginnings of it elsewhere; Saddam Hussein's war

on Kurds and the Shiite Marsh Arabs of Iraq;

governmental persecution of tribal and political

New aggressions await rectification. Serbia's invasion of Croatia and Bosnia-Herzegovina, after each had been duly recognized by the international community, was little different from Iraq's invasion of Kuwait. New acts of international aggression as surear to be involved in the Bal-

al aggression appear to be imminent in the Bal-

tros Ghali is one of the few who are interested.

anarchy. This is unlikely to prove to be true.

this is true for the Somali clans.

minorities in Burma, etc.

even greater danger of overextension and of assuming the role of world police-man. For if it is appropriate to use American forces for humanitarian purposes in Somalia, why not elsewhere? The American foreign policy trauma

of the '60s and '70s was caused by applying valid principles to unsuitable condi-tions. Care must be taken not to repeat the same tragedy in the '90s with a wider set of equally important principles.

kans. Why is the lesson of Munich not respected?

The thing about lessons from the past is that they can be used to justify inaction more readily than action, since the past is complex and its contradictions are apparent. The lessons of Vietnam and

Lebanon are of the frustration or defeat of interventions. That of the Gulf is of an intervention's

limits. But another lesson, not least that of World

War II, is of the terrible consequences of inaction

and the evasion of responsibility.

America is in Somalia because it does not wish to

be elsewhere. Americans have persuaded themselves

that it is an easy case for intervention. It is true that

decisions concerning military interventions cannot

be made in terms of universally valid principles. There are important issues of physical and political practicality, as well as of simple prudence. There is a

However, the limits currently observed in the United States, and in the West as a whole, seem

exclusively those determined by domestic political

dvantage and the desire to avoid political risk.

for themselves a doctrine of universal unilateral intervention, all the less so as they cannot want to encourage some future rogue nation to decide to use the slogan of "humanitarian intervention" for expansionist designs, Moral claims can be asserted as a

national prerognitive only at the cost of long-term domestic and international support. It will be difficult to persuade the American people indefinitely that they have a greater responsibility for starvation in Somalia than the Europe-an nations and those of Africa itself. These must be prepared to help by providing political backing and mili-tary forces. American unilateral intervenuon should occur only when all alternatives for genuine international action have been exhausted, and if the cause permits no other remedy.

Even then, American military actions cannot be successful or sustainable if they are divorced from political realities. With respect to Somalia, this leads to three conclusions:

 Unilateral American security oper ations should be terminated rapidly.

• The first- and second-stage military contingents in Somalia should be merged

from the beginning, with the American component reduced to reasonable proportions within a short, fixed time frame. The political aspect (anything bearing on civil administration) should be internationalized quickly and fortified with a significant African component.

More than two decades ago, while I was discussing extrication from Vietnam with an acquaintance, he told me the story of a Russian peasant who came running into his village to get help for a man stuck up to his ankles in mud. When told that this did not sound too serious, he replied, "But he dived in head first."

D Los Angeles Times Syndicate.

International Herald Tribune.

nit to what can be done for others.

This is not pragmatism but a form of moral as well as polidical abdication. And it is precisely for this that history eventually imposes a sanction, a terrible one. That is the final lesson.

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to pot without the royals - why would it? - but is

simply sold to Japan. "The Queen and 1," Sue Townsend's comic nightmare, or dream, about the royal family joining the common herd, has topped the best-seller lists since it appeared in September.

Miss Townsend has been one of Britain's leading humorists since she published the first of a series of fictional diaries by a spotty adolescent named Adrian Mole in 1980. She began researching "The Queen and

l" two years ago. "I think you write out your obsessions, and my obsession is class," says Miss Townsend, who describes herself as a working-class republican. "The royal family epitomizes - they don't epitomize, they are - the top of the hierarchy, which means that everyone else goes down. I don't object to them so much, I don't object to them at all as people. It's the people further down who actively enjoy keeping the

class system and get major benefits from it." By the time her fantasy was published, the royal family had begun to self-destruct while the press bayed (she had to cut the Duchess of York, the former Saruh Ferguson, out of the book and have Prince Andrew absent on a submarine under a polar ice cap). Miss Townsend thinks the change can be traced to the palace-commissioned BBC television documentary about 15 years ago which, with its famous scene of the queen dipping her finger into barbecue sauce, was intended to show the royals as ordinary people.

"You can't have it both ways, you just can't," sbe says, "You can't be a human being and a god. I think they just didn't think it through."

In the book, someone asks what the royal family is

for if they are just going to be like other people?

They're for themselves, Miss Townsend says. "I think they're entitled to live. None of us can help the

families we were born into." The book asks why the royals should be an icon of the Britain that was rather than a part of the shabby Britain that is. Mrs. Windsor is admirably doughty and able to cope, and to Miss Townsend's surprise monarchists have praised the book. Her hope was that if readers began to look at the royals as human beings, they would see the poor living on council estates as

human, too. 'They're not lazy slobs," she says. "They work so hard, obviously not in paid employment, but in surviving. There's always someone lying under a car in the freezing cold trying to coax it into going just one more time. It's bloody hard work trying to survive."

Miss Townsend has lived on a council estate, and her office overlooks Saffron Lane, the model for Hell Close. She has friends on the estate, does her shopping there, helped close the local school, which had the highest truancy and illiteracy rate in the country, and worked there for four years on an adventure

playground.
"We turned it into the countryside," she says. "We imported earth, we made hills, the children made tree houses. There were bonfires day and night, enormously useful for cooking food and boiling kettles, and at night giving that wonderful opportunity to be hypno-tized — to stand and talk while looking into the flames." Since the Children Act of 1989, bonfires have been banned, and children can no longer handle hammers and 6-inch (15-centimeter) nails.

"There are indoor buildings oow," she says, "they can paint and model, but they can't get to grips with the air and the fire, the height and the wind.

Miss Townsend, 46, is a warm and level-headed woman who has always lived in Leicester, a town now fading as light industry wanes. Her husband is a canoe builder, both her parents were bus conductors. Her living room is filled with the books one might find in Hampstead, but despite her success with the Mole books, which have sold more than 7 million copies worldwide, she says the literary establishment has only taken notice since "The Queen and 1."

"I think it gave them permission to see me as someone who wasn't just an oik who wrote a comie novel about a little boy," she says. "They're a bunch of

If she follows the native tradition of domestic come-It she follows the name tradition of domestic come-dy about unconsidered people, she is not amused by the illusions and tiny embarrassments of class but outraged by its exclusions. "The Queen and I" shows oo anger to the royal family hut a great deal against an

uncaring government. A previous book, "Margaret Hilda Roberts and Susan Lilian Townsend," was the fictional diary of Margaret Thatcher as a girl living in her father's

grocery in Grantham. "It was about how her father cheated people in his shop — he was well known for watering down the lemonade and adding chalk to the flour," she says. "Another thing that struck me about Margaret Hilda was that she had no friends to walk to school with. She always walked on her own, and that's very unusual, isn't it? She wasn't at all popular; she was disliked, actively disliked by the teachers as well. She was top of the elass in every single subject except art, and she also voluoteered for extra duties at lunchtime, which she considered a waste of time as well. Incredible, really.'

As a child. Miss Townsend played in the countryside around a derelict manor house. The manor house is gone, replaced by a home for invenile delinquents.
"I took my kids there because there was a brook, and a car had been driven into that brook and bags of garbage had been dumped into this brook that we used

to drink from," she said. "My kids played on the abandoned car quite happily, but it was a sad moment for me, watching my kids jump up and down on the roof of that car."



Princess Anne and Commander Timothy Laurence driving away after their wedding in Scotland.

A Royal Remarriage, Quietly and Privately

By Eugene Robinson Washington Post Service

EDINBURGH - Princess Anne has remarried in a brief private ceremony attended by friends and family.

The princess, Queen Elizabeth II's only daughter, went to Scotland to marry Timothy Laurence, a navy commander, because the Church of England, of which the queen is titular head, does not condone second marriages. Princess Anne was divorced from her first husband. Mark Phillips, earlier this year.

The wedding on Saturday at Crathie Church, near the queen's castle at Balmoral, ended a tumultuous week for the royal family. On Wednesday, it was announced that Prince Charles, the heir to the throne, and his wife. Diana, were separating after 11 years of marriage.

The assembled royalty - minus Diana, who sent good wishes but pointedly stayed away - appeared less than festive, certainly in oo mood to accommodate the photographers and well-wishers who had stood for hours along the road leading to the church in hopes of glimpsing the bride

The royals sped past in Land Rovers until they were safely beyond the police harricades. Coverage of the ceremony was limited to a few reporters acting as a press pool, frustrating photographers who had padlocked their stepladders in place overnight to reserve the best vaniage

Observers said the family decided to keep the wedding low-key - no pomp, no circumstance, a simple white suit instead of a long wedding gown — to avoid highlighting the fact that the couple was having to go north of the border to find a church that would marry them. The groom, 37, is a former royal aide-de-camp who holds a position

with the Defense Ministry. The princess, 42, is regarded as one of the hardest-working of the royal family. The couple announced no plans for a honeymoon, and Princess Anne was scheduled to be back making royal appearances on Tuesday.

Liechtensteiners Vote Heavily to Join Europe Trade Group

By Brandon Mitchener International Herald Tribune

Liechtenstein broke its traditional ranks with Switzerland on Sunday and fell in line with the rest of Europe, voting clearly in favor of a treaty on greater economic and po-litical integration that Swiss voters have rejected.

With 87 percent of the tiny Alpine principality's 14,000 eligible voters taking part, 55.8 percent, or 6,722, cast ballots in favor of joining the European Economic Area and 44.2 percent, or 5,322, against.

Last week, Swiss voters rejected the treaty by 50.3 to 49.7 percent.

Liechtenstein's voting districts suptreaty by 50.3 to 49.7 percent.

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Liechtenstein's departure from the results of the Swiss plebiscite is a major step for the so-called "Lāndle," or little land, which pays its bills in Swiss francs, lets Swiss gnards patrol its border with Austria and has Swiss diplomats defend its interests abroad.

In Vaduz, Prince Hans-Adam II. who campaigned for approval, said he was surprised and overwhe by the "self-assured" outcome of the referendum, in which all 11 of

fund of 2 billion Ecus. Commission

officials, relying on sketchy projec-tions, contended that the two funds

could generate total investment,

primarily in transportation and

telecommunications, of as much as

Meanwhile, there was no serious

discussion, officials said, of the role played by the Bundesbank's high interest rates, largely caused by Bonn's poorly financed German

unification scheme, in stunting Eu-

ropean economic growth.

Nor was there any debate over the fundamental conflict between

the need to spur revival, which

would probably require at least an

initial boost in government bor-rowing with the austere budget cri-

teria embodied in the Maastricht

of the summit meeting was to keep alive the drive to ratify the Maas-

called "extremely subtle" diploma

cy by the British, who will hand off the revolving six-month EC presi-dency to Denmark next month,

they succeeded in keeping Copen-

hagen and London on board. But

this was done only at the price of

future oot just at two speeds but

along a multitude of different

With the help of what Mr. Delors

posed free-trade zone encompass-ing IS European nations and 380 trade pacts with third parties.

million people.
"There won't he any customs cabins along the Liechtenstein-Swiss border," the prince said, to reassure those citizens who, afraid for their country's future relations with Switzerland, voted against the

European Economic Area. Liechtenstein has already received assurances of goodwill from Switzerland, which effectively had

"It was relatively important for the favorable outcome of the referendum that we promised not to exchange more integration with Europe for less integration with Switzerland," Prime Minister Hans Brunhart said. "The Swiss can't hold this against us, because they

wanted it, too," he added.

parliament, which included a television appeal on Tuesday, apparently helped sway many initial opponents of the treaty.

Gunther Meier, editor in chief of the Liechtensteiner Volkshlatt newspaper, said another major fac-tor in Liechtenstein's vote in favor of Europe was Switzerland's public soul-searching in the week follow-

Denmark," Prime Minister Poul Schluter said. "We are meeting ev-

Maybe; maybe not. A leader of

the Danish political opposition

told reporters in Edinburgh that the seven-party coalition that for-mulated Denmark's demands was

falling apart and said the same

groups that fought to defeat the original referendum would do so

Once the Danish question was settled to the satisfaction of Com-munity leaders, though, they

turned their attention to money -

always a sore point in any family.

The argument lasted all day Satur-

Mr. Major came into the summit

meeting trying to freeze the EC budget ceiling for three years and hold the spending line at 79 billion Ecus in 1999. He locked horns with

Prime Minister Felipe González of

Spain, who the Spanish press had aiready dubbed Robin Hood for

his tough campaign to take money from the rich members of the Com-

Chancellor Kohl, the EC pay-

master, urged Britain to compro-

munity to give to the poor.

day and into the night.

ing its own referendum. Last week we saw that not all wanted it, too," he added.

Swiss were happy with their decision," Mr. Meier said.

eryone's wishes at home."

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empty shell.
To persuade skeptical Danes to take a second look at the Manstricht treaty so that all member states can sign it together, Denmark's right to stay out of defense matters, monetary union, common EC citizenship and police coopera-

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SUMMIT: Its Internal Rifts Settled, the EC Confronts Even Stiffer Tests **Highlights of EC Summit**

EDINBURGH -- Following are the key decisions of the EC summit meeting:
DENMARK: Agreement to exempt Denmark from key aims of

the Masstricht treaty on political and monetary union — a single currency and a common defense — clearing the way for second Danish referendum next year to reverse rejection of treaty. BUDGET: A seven-year budget deal freezing the ceiling on EC resources at the present 1.2 percent of Gross Domestic Product for two years, with phased increases to 1.27 percent by 1999. A fund for the four poorest EC states — Spain, Portugal, Ireland and Greece — worth 15.15 billion Ecus (\$18.8 billion) over seven years. Total

spending on those four will double.

ENLARGEMENT: Negotiations on EC membership to open after Jan. I with Austria, Sweden and Finland. Talks with Norway to

start later next year.

ECONOMIC GROWTH: An initiative to stimulate growth through funding infrastructure development worth up to \$37 billion via a new lending facility at the European Investment Bank and a

SUBSIDIARITY: New procedures to apply the principle of subsidiarity, under which the EC acts only when member states cannot achieve the goal as well themselves. The EC Commission

suggested withdrawing or cutting down some laws.
TRANSPARENCY: Some ministerial meetings will be televised and details of votes will be published. EC laws will be made clearer SITES OF INSTITUTIONS: The sites of existing institutions were confirmed. Countries that do not already have an institution

will have priority for new ones whose locations are undecided.

MEMBERS OF EUROPEAN PARLIAMENT: Germany will receive IS more members to take unification into account. Most other countries will receive smaller increases.

YUGOSLAVIA: Leaders increased pressure on Serbia and Bosnian Serbs, condemned the systematic rape of Muslim women in Bosnia, offered Macedonia economic aid but not recognition under its present name, in deference to Greek objections.

tion was clarified in a "legally bind-

ing way." But the fine print is confusing: the agreement cannot be tested in -appears to be little more than an any court, and the Danes still must vote again in another referendum

expected to be held in late April or early May. Unlike the Prince and Princess of Wales, who met along with other members of the British royal family with EC leaders at a dinner aboard with EC leaders at a dinner aboard ment leaders were clearly over-the yacht Britannia on Friday joyed. "This is a great day for future."

night, the Community wants above

divorce," Foreign Minister Uffe El-lemann-Jensen of Denmark said on Friday before the agreement was completed, "with a lot of fighting over furniture and children.

all to avoid the pain of a public "It would be a very complicated

Once the deal was done, on Sat-

urday morning. Danish govern-ment leaders were clearly over-

mise with Spain. And finally, a deal was complete. The Community set an overall limit for 1999 of 80.6 billion Ecus, or 1.27 percent of its projected economie output, down from the \$3.6 billion level originally wanted by

Mr. Delors. The Community's Poor Four will receive over seven years a total of 15.15 billion Ecus in "cohesion funds," designed to help ease their

transition to monetary union. When the marathon day of wrangling was finally over, EC leaders acknowledged that it had been a hard-fought struggle but said it had

"It was a very difficult road to the conclusion," Mr. Kohl said. What the Edinburgh meeting pro-

vided, he said hopefully, was "a

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been worth the pain.

You will find below a listing of job positions published last Thursday in the International Herald Tribune under the International Recruitment Feature POSITION/LOCATION COMPANY

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The World's Rendezvous With Europe

Thirty-Second in a Series

EC Unity / The Way Ahead

A Major Milestone On a Lengthy Road

"The completion of the Internal Market Program In seven years constitutes a remarkable achievement," says a statement by two of the EC commissioners most responsible for the success of the project, Martin Bangemann and Karel van Miert. "Yet," they add, "January 1, 1993 is not simply a finishing line. It is rather a signpost to the way

It is an incomplete triumph. One takes a train from Paris to Brussels without producing a passport or meeting a customs official, but arriving by air in Britain is a different story. There are many things to be tidled up - both technical matters, like tha level of value-added tax on precious metals, and emotional issues like the import of pets Into Britain or tha famous German banana Issue. But there is no doubt that the mechanism is in place.

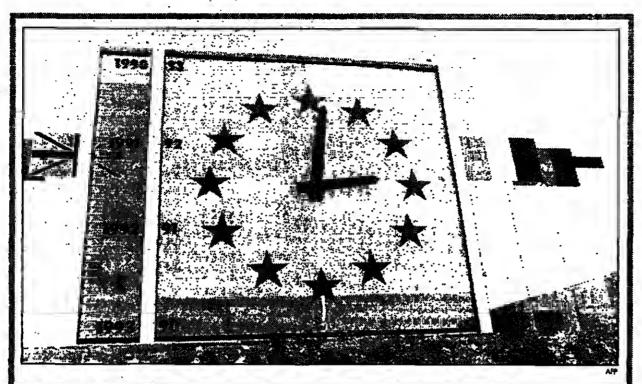
Before the Edinburgh summit, 92 percent of the legislative program had been completed, and it was expected to reach 95 percent by the and of tha year — a vast body of legislation that has been described as tha biggest democratic law-making program in the history of civilization. The Edinburgh summit last week had a right to be self-congratulatory as well as a need to make sober and careful plans

Nor is any there doubt about the single market's welcome from industrialists and business people who deal in and with Europe. "What has been achieved is truly remarkable," says Julian P.R. Oliver, chairman of tha EC Committee of the American Chamber of Commerce. "It will make life easier for us in many respects."

These accomplishments have not come without some sour notes. "In many respects, there will not be a single market on January 1, 1993, or for a very long time afterwards," says a statement by the consumers' group BEUC (Bureau Européen des Unions de Consommateurs). The group is worried that the rights of consumers are inadequately protected. "There is a danger that the single market will develop as a single market for producers and suppliers," it says. These criticisms are being contested.

The commission itself, in a progress report Issued in September 1992, has no doubts. "It is fair to say, in view of the decisions already in force, the economic framework for the singla market is now in place, with peopla, goods, capital and services able to move around freely either on the basis of harmonized or common rules or on tha basis of mutual recognition." The report adds that the changes have "permitted a fundamental modernization of the environment for companies favorable to their competitivity on tha European and overseas markets" and that the changes

Continued on the following Pages



1992: The Culmination of a Series

ed European market by the end of 1992 was "one of the boldest and most far-reaching socio-economic experiments in modern history," according to an article published on March 25, 1988 in the first of the International Herald Tribune's series of advertising sections on 1992 - The World's Randezvous With Eu-

This is the 32nd installment of the series. Over the past five years, numerous interviews with lead-Ing European personalitles and articles by a variety of journalists have detailed how that original inspiration has become a

in that first section, Jacques Delors, the driving force behind the birth of an economic unit serving more than 320 million peopla, described in an interview the beginning of tha Idea. "It came following a trip to all EC capitals in the late summer of 1984," ha said, adding that it became a priority "because it is a pragmatic concept, realistic and manage-

it was also hugely complicated and beset with difficultias. A glance through the headlines in-

dicates that there was a continuous awaranaas that things were not going altogether smoothly but that things were none-

that things were none-thaless moving forward.
"Do or Die Decada for EC" (April 26, 1988).
"Taxes and Tariffs Mar Vi-sions of Unity" (Oct. 8, 1988). "R&D — Can Com-petitors Work Together?" (May 26, 1989). "EC (May 26, 1989). "EC Bares Teeth in Move on Airline Monopolles" (Jan. 14, 1989). "Political Issues Could Hinder Integration" (Sept. 25, 1989). Slow, Steady Progress In Implementing Directives" (Nov. 6, 1989), "Media Strive to Capture the Mes-

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Technologies Key to EC Markets" (Oct. 12, 1992). In this, the final section of the series, we seek to sum up where the longawaited singla markat stands on the eve of its inception.

Interview / Jacques Delors

One Man's Vision Becomes a Reality

Jacques Delors, president of the EC Commission, outlined his views in the first installment of the 1992 series published on March 25, 1988. Now, with the completion of the series, he sums up his accomplishments, regrets and hopes for the future in an Intarview with Axel Krause, corporate editor of the International Herald Tribune. Following are ex-cerpts from the Interview which, like the first, was conducted in French in his Brussels office:

With regard to the single markat plan, what, concretely, will happen at mid-night, Dec. 31, 1992?

It will not be a blg bang. The realization of the borderless market has been under way, progressively, since 1985. Nevertheless, at the data you Indicate, we will have attained the quasitotality of our goal - 95 percent of the legislation proposed will have been adopted, and 75 percent of what we had originally proposed transformed into national legislation.

As you look back to January 1985 and the launching of the plan, what have been its biggest achieve-

We had eight years of uninterrupted dynamism in the building of European - was applied. Financial resources to make it hap-

unity. What was decided in 1985 - the singla market

pen also were mobilized.

sense of cohesion, and parallel growth, between rich

and poor regions. What does that mean? Tha four EC countries that are the least developed economically - Spain, Portugal, Ireland and, to a lesser degree, Greece had a rate of development higher than the EC averaga. in addition, Eurosclerosis has receded; the cooperation betwaan our companies has been fos-tered and achieved, even though it is still insufficient.

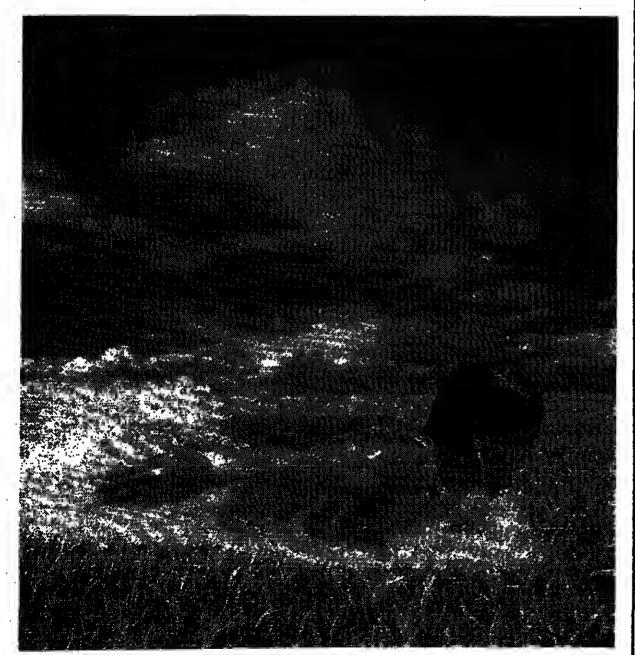
Yes, but currently most EC member countries are in virtual stagnation or recession. Do you agree, as some argue, that Europe's growth prospects have dimmed because of the EC 1992 program?

Not at all. The world has become far too interdependent. Wa can no longer live and reason as we used to. Today, a slowdown in the American economy has far more impact internationally than 20 years ago. The European recession is dua to three factors: the world economic environment, the costs of German reunification and the fact that we, as Europeans, are not yat

competitive anough. When we look at some of tha problems still facing Europe - the ratification of the Maastricht treaty, violent tensions stemming from agriculture, GATT, xe-

Continued on Page 10

SEEN THROUGH THE EYES OF IMAGINATION. AGFA.

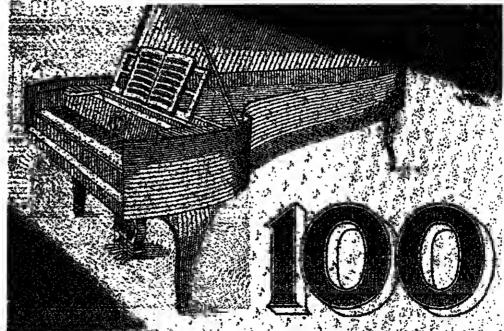


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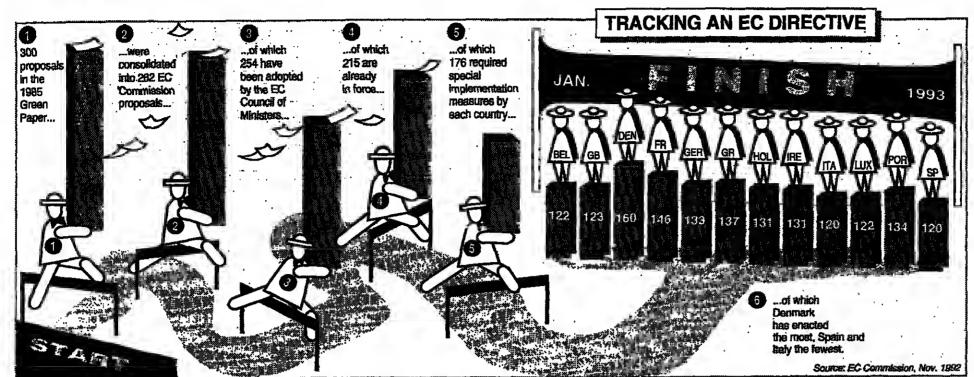
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change progres The single market requires e new infrastructure to allow activities and resources to be integrated effectively. As a world leader in networking and distributed computing and as one of only six sup-

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ment of people's lives. At \$6.8 billion, Europe already represents nearly half of Digital's annual revenues. With 30,000 employees, subsidiaries in all European countries, products conforming to European standards, e high degree of local content in our products and strong European partners, Digital is well placed to seize the apportunities that result from this European response to the challenge of global change.



Robert B. Palmer, president and chief executive officer, Digital Equipment

will promote "the creation of jobs and the development of

The Legislative Mountain

The beginning of the dash toward 1992 was the 1985 White Paper on the completion of the internal market -"Our Bible," according to an EC official involved in carrying out the program. The White Paper was drawn up by Lord Cockfield, a Briton who was then commissioner for internal market affairs, working on an idea of Jacques Delors's. It set the deadline and detailed about 300 measures that needed to be taken for the removal of national

The commission consolidated the program into 282 proposala for directives and regulations. All of these have been drawn up and considered by the European Parliament, and all except one have been given a first reading. Before the Edinburgh summit, 254 had been adopted by the Council of Ministers. Of these, 215 were in force in November 1992.

The EC legislative process works as tollows: Proposals are drawn up by the commission and adopted by the Council of Ministers (usually toreign ministers meeting once e month, although finance, agriculture and other ministers can be involved; twice a year a summit of prime ministers meets, as at Edinburgh). The European Parlia ment is mostly advisory, but must be consulted - the Maastricht treaty aims to increase the powers of parliament. In adopting proposals, the Council of Ministers sets a date for them to come into force. Regulations are simply officially published and eutomatically come into effect on the date specified. Directives usually have to be transposed into national legislation in all 12 states. The date of entry into force gives them a deadline; if the necessary legislation has not been passed by then, the country is in breach of Community law. In some cases, new legislation is not

necessary because existing laws cover the new rules.
Of the 215 measures in force, 176 required national implementation measures. As shown in the eccompanying table, some countries are dragging their feet. Italy, for instance, has not implemented more than 30 percent of the measures. Denmark can claim to be the most assiduous,

What does all this mean to the man in the street in Paris, or Madrid, or Athens? He will not wake up to e different world on Jan. 1, 1993, but the mechanisms are in place to Improve greatly the quality of his life.

'He will be able to work somewhere else in the Commu-

United States / New Brooms

Charting the Direction Of Cross-Atlantic Trade

With the coming of the Cilnton administration, U.S. policymakers and businesses are taking the opportunity to rethink their strategies for trade with the European Community.

As President-elect Bill Clinton prepares his economic program and makes who will fill the top positions on his team, some preliminary conclusions may be drawn about the directions his policies will

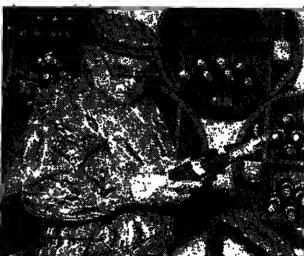
In October, Mr. Clinton said: "The issue here is not whether we should support that Mr. Clinton will act torcefully if he sees the EC moving to limit access to the single market. Interestingly, some mem-

bers of the Clinton circle

have shown themselves partial to some of the European programs and policies affecting competitiveness. Ire Megaziner. a business consultant who is on Mr. Clinton's economic policy transition team, has written admiringly about the close cooperation between business and government that produced the Airbus. Mr. Magaziner adviaed egainst "fighting

to top \$200 million this year, five years after the company first crossed the Atlantic. Some of the more established U.S. companies have shaken up their management and operating styles In Europe. ITT, following the sale of its Europeanbased telecommunications business in 1986, has de centralized its substantial European operations, giv-ing them more flexibility end Independence. The company closed its landmark Brussels headquarters, and its individual business units - which make auto parts, electronic com-

Combien? In recent trade tussling the United States threatened a 200 percent tax on French wines.



free trade or open markets. Of course we should. The real issue is whether or not we will have a national economic strategy to meke sure we reap the benefits."

This pledge of loyalty to the liberal trade ideal was not just a bow to orthodoxy. Richard Rivers, who served as general counsel for Robert Strauss, special trade representative during tha Carter years, says: "I've never met a protectionist governor." He is alluding to the habit of American state governors, like Mr. Clinton and Mr. Carter in his time, to encourage foreign investment and focus on export expansion.

What distinguishes Mr. Clinton from his fellow-Democrat predecessor is a sense that the United States faces a much more profound global economic challenge than it did in the 1970s, combined with e pronounced belief that the government must take an activist approach in dealing with the situation. Much of this activism will take the form of domestic economic policy, but it also means

tions alona," and said that the United States must "accept that all over the world. there's a new way of doing business, one that we have to embrace ourselves U.S. companies, tor their part, are showing fresh ap-

back with trade negotia-

proaches to doing busiess, whether they are entering the EC market for the first time or are already established on the Continent. The United States has enjoyed a trade surplus

with Europe for more than three years. One reason is that the dollar has been low against European currencies, spurring American ex-U.S. corporate strategies to bolster or refine their Eu-

ropean presence are varied. Many newcomers to the market are finding success with more aggressive discounting policies, mailorder operations and enthusiastic after-sales service, methods still relatively uncommon in Europe. They have certainly worked for the Dell Computer Corp. of Austin, Texas, whose European sales are projected

ponenta and pumping equipment and provide insurance and hotel services operate from several European countries. Thesa units took in more than \$5.4 billion in 1991.

IBM has shrunk, cutting its Paris headquarters staff to under 200 employees from 2,500. Now, quasi-autonomous units across Europe operate with their own business plans, aiming to serve specialty clientele.

Most important for U.S.-EC trade relations at the moment is GATT. The Nov. 20 accord to end e bitter U.S.-EC dispute over farm subsidies end keep the Uruguay Round of talks under the General Agreement on Tariffs and Trade from failure has provoked protest, especially in France.

Of course, Mr. Clinton himself has not given his blessing to the farm trade agreement. He has said he wants to study it further, a signal that, like France, the United States must take its own national interests into account.

This advertising section was produced in its entirety by the supplements division of the international Herald Tribune's advertising department. • Steve Dryden is a Washington, D.C.-based journalist. • Timothy Harper, a London-based Armothy Julian & Comparison and lawyer, is D.C.-Dasso journaist. ■ Innotity marper, a London Pearles, "John Wiley & Sons, New York. ■ Axel Krause is corporate editor of the International Herald Tribune. ● Ken Mackenzle is a journalist based in Paris. ● Clifford Stevens is a business journalist based in Vienna.



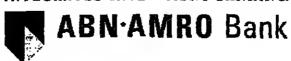
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The Words Rendered

The Single Market

nity if he wishes to," explains an official involved in the program. "He will be able to take his profession to another country, be able to study, arrange for his pension. He will find banks and insurance companies able to cross bor-

The free circulation of goods and services should mean more choice and lower prices. The free movement of capital is important for big business, but the increased prosperity and, it is hoped, growth will mean more jobs and

There remain major hurdles, of course. No one thought the task of marrying 12 different cultures would be easy. "There is no question of trying to Impose e dominant culture," the official says. "We aim at unity in diversity." The table shows that progress still has to be made on matters that are largely technical: VAT, company law and company taxation, intellectual property (the protection of

company taxation, intellectual property (the protection of copyright) and public procurement. But there are also matters directly impinging on everyday life.

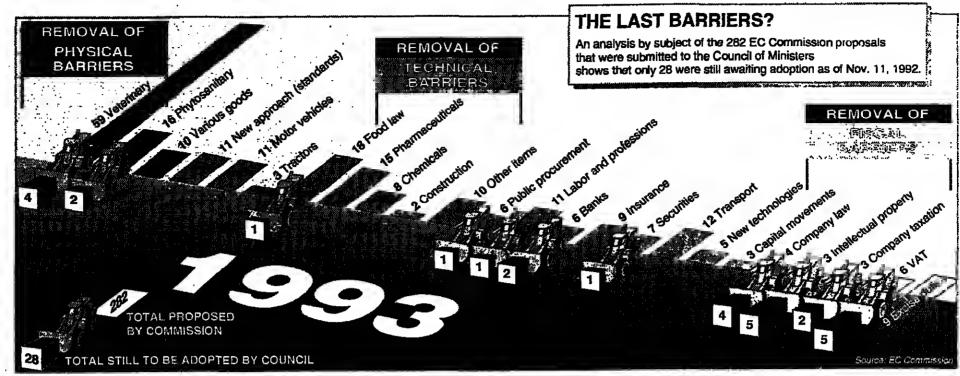
Border controls will not have disappeared on Jan. 1.

Land crossings are easier, but most airports do not yet have the facilities to separate people arriving from another EC country and people arriving from the outside world. Some countries (especially Britain) are adamant in maintaining border controls for illegal drugs, terrorists, immi-

grants and diseased animals. Then there is the banane question. Like many things concerning the EC, this has some comic aspects but is in fact deeply serious. Some member states either produce bananas or have special arrangements to import them, mostly from former colonies. Without help, these are not competitive with the so-called "dollar bananas," coming mostly from South America, which are imported in quantity by Germany. The spirit of e free market would seem to forbid any sort of restrictions on the "dollar bananas," but there are big issues involved. The dispute is not new, and an indication of how seriously the matter is taken by Germany is the fact that in 1957 Konrad Adenauer delayed signing the Treaty of Rome until he could be assured of access to the necessary bananas.

Standardization, the protection of children from dangerous toys, the labeling of food, safety for workers, rules for cross-border television - all these are questions of direct concern to that person in the street.

Does the creation of e single market - the tearing down of Internal borders - imply the strengthening of external borders? Is there, in other words, a real danger of e



Views From the Boardroom

"For the European telecommunications industry, 1992 will have had a more profound impect then originally imagined. We had elways looked on 1992 as the final stage in the preparation of the single European market of 1993, Telecommunications operators were to

cooperate closely, making the latest technologies avalleble to European compenies and thereby permitting them to enhance their competitiveness. Such was the rationale behind the Global European Network for the promotion of services and the recent accord on the

setting up of a broadband pilot network ecross Eu-

But in the event, 1992 was marked by two highly significant trends, which I hope are indicative of e balance between harmonization and competition. On the one hand, the debate over the Maastricht treaty highlighted the important role that trans-European networks play in

the building of Europe. On the other hand, the unexpected decision by the commission to re-examine the question of competition has sparked off e fundamental analysis of the

industry's feature. These issues will continue to be addressed in 1993. We at Frence Télécom will take part in the debate, stressing what we

tion should not ride roughshod over the needs and interests of ell the parties concerned end that it should not have e braking effect on the momentum toward harmonized and increasingly efficient net-

France Télécom will be able to reconcile its own development with the



Regions / As Borders Blur

Targeting Specific Areas For Growth and Development

While the most recog-nized goals of the Maastricht treaty are monetary and economic union and the completion of the singie market, some ramifica-tions of a third objective: "the strengthening of social and economic cohesion," are often over-

A key part of this last goal Is the European Community regional policy - e re-sponse to and a recognition of the blurring of borders within the single market.

Just as the EC's broad goal is to raise the standard of living across its 12 member countries, the regional policy zeroes in on specific deprived areas. The aim, in other words, is no more poor countries, and no more poor regions within those countries.

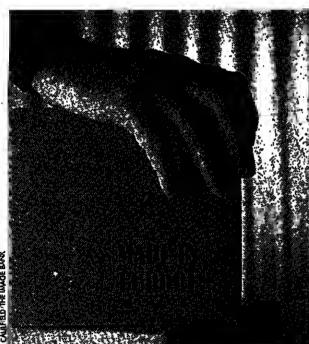
Much of the EC regional program is aimed at helping poorer countries since they, naturally, have more poor areas. As a result, Greece, Portugal, Ireland and Spain stand to be the biggest beneficiaries.

The regional policy also promises to boost recognized cultural and industrial areas that overlap the borders of richer countries, such as the Alsace region of France and neighboring Germany, or the areas of France and England linked by the Channel Tunnel.

Three recent examples of EC regional policy include programs to combat industrial decline in northern and central Italy by helping people set up their own small businesses, redeveloping derelict industrial sites in France's Nord-Pas de Calais region and fighting un-employment in British inner

The problem, as always, is money. Or, rather, the lack of it. The EC is currently spending about \$70 blilion for regional programs

the Community.



Regional programs include helping small businesses get started.

in the five-year period end- Greek farms when Germaing in 1993. Current prony has so many economic posals call for e 60 percent boost over the next five yeers, so that ennuel spending nearly doubles from about \$1.7 billion this year to more than \$33 bil-

On top of that, EC Commission President Jacques Delors is urging support for a program to spend \$60 million for infrastructure Improvements - spread across the EC, but presumably concentrated in the poorer areas - to help Eu-

lion by 1997.

The recession, however, means that the richer member countries, the ones contributing more to the EC than they get back, are not especially eager to epend more and get even less back. Why, after all, should Germeny be spending more to install phones on

rope grow out of the current recession

The recession is making some richer EC countries less enthusiastic about chipping in to bolster poorer regions of

problems of its own? Bruce Millan, the EC's commissioner for regional policy, acknowledges the political obstacles. The two questions, he says, are how much member states are prepared to spend overall through the Community budget, and what share of this should be allocated to economic and social cohe-

"The answer to that latter question will indicate what type of European Community they want - whether they do genuinely believe in economic and social cohesion," Mr. Millan says.

Many believe that regional programs will take a lower priority at least until the EC is feeling wealthier and dent. Mr. Millan notes, however, the risk of being left behind for poorer regions: The accelerating pace of change in our economies tends rather to increase concern that some regions and Indeed groups in society could be 'dropping out' - becoming progressively more and more margina-

He argues that without such programs, some regions have little hope of attracting the kind of private investment that will raise their production and living standards over the long

These include the supply end quality of labor, infra-structure, proximity to markets and suppliers, tax and investment incentives and quelity of life factors such as the environment, education and leisure.

Timothy Harper

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Views From the Boardroom

"Although a single European market for industrial Insurance has been operating since 1990, it will take another year and a half to realize an "EC '92" for the whole of the Insurance industry. My company is well prepared for the chances and risks involved. Over the past 20 ars, Allianz has grown into the most international group among the top Insurance companies of the world, with about half its premium Income now being written outside Germany. We are operating in all EC countries and in severat prospective members.

All insurance business is local, and it will not be easy for foreign competitors to penetrate the German insurance market unless they are equipped with the appropriate marketing end loss-adjustment facilities.

All the same, the Ger- 3 man insurers anticipate a while customers are in for a heterogeneous range of products they may find hard to cope with. In order to achieve still more market orientation, the property and casualty insurance companies of the Allianz group in Germany



surge in competition. Henning Schulte-Noelle, chairman of the board of management, Allianz.

have dropped their traditional structure by lines of insurance in favor of an organization focused on customers' specific

Views From the Boardroom

'The EC 1992 concept spun a "ring of confidence" around politicians



Jorma Olllla, president and chief executive officer, No- a new Europe. And our re-

and the business community. Decisive progress has been made and the magic date is upon us, but it is more a day of reckon-

Nationalism is rearing its ugly head again. The movement toward political and monetary union is stalled. Many monopolies remain, epparently un-

in Europe and in the world generally, and we have an mbiguous situation. We might ask if ambitions were too high. My answer is: Without ambitions we shall never build sponse must not be "For-

tress Europe." We need partners overseas, too. As the GATT talks now reach the critical endphase, there is a real need for realism on the part of all major players, Our poli-

moved. Add to this the

poor state of the economy

ticians must bring the Uruguay Round to an equitable conclusion and save us from a devastating trade war. There is much to gain and much to lose.

Finland has taken e major step and epplied for full membership In the EC with no reservations about Maastricht. This has been favorably received, and It is hoped that a decision will be made as soon as possible as to when offcial talks can begin. As a European technol-

ogy company, Nokia has that "ring of confidence" and welcomes this development. Europe's problems are complex, but on the basis of its potential, with hard work and goodwill, the new Grand Designof Europe can still be real-

Views From the Boardroom

"For a big-ticket cus-tomer bank like WestLB, the single European market poses a major challenge, For one thing, our clients expect us to provide them with an evercated range of services throughout Europe. Secondly, the already stiff competition in the German banking sector will get tougher still. Once banks within the EC are entitled to open branches and offer services in any member country and at the same time are subject to the laws prevailing in their home country, more and more foreign banks and securitiee houses will crowd into our market.

In order to gear ourselves up for EC '92. WestLB developed a strategy for Europe, which for the most part has been im-plemented. The central elements of this strategy include enlargement of our product range, strengthening of our European presence, modernization structure and Intensified recruitment of staff from other European countries. At the same time, we have concluded e cooperation agreement with the Stan-

There is no doubt that WestLB employees will be working much more closely with their colleagues in other countries in the future. Spending e period abroad in one of our foreign branches will increasingly become a precondition for climbing the professional ladder at

WestLB. Knowledge of

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Friedel Neuber, chairman of the managing board,

other languages, legel and economic systeme, and above all acceptance and tolerance of other cultures, will become increasingly Important with-

in our group. For me personally, it is my fervent hope that the completion of the single market will promote the development of the EC as e potent force for peace and democracy in Europe as a whole."

Interview / Jacques Delors

One Man's Vision a Reality

Continued from Page 7 nophobia and racism - it would seem that 1992, the final year, has been the worst in terms of the EC's

performance. What we accomplished In the EC 1992 program should not be looked at as a miracle remedy. I would only say, and many observ-ers agree, that the plan helped bring about a re-naissance of the European economy, even though much remains to be done. 1 am absolutely convinced that if we had a better economic climate, hait of the difficulties linked to the ratification of the treaty would

What is your biggest regret, or failure, as you look back at your efforts on behalf of European integra-

During the past eight years, as in previous years, we have always faced the problem of bringing ourselves closer to the public, to average people, and ex-plaining what building Eu-rope is all about. We have made progress faced with Indifference of the public and sometimes of netional parliaments. By the same token, it is not up to the EC Commission to substitute itself for national governments to explain why we are struggling. But that is one of my regrets

Is it too late to find a solution to the communications problem?

No. But the main Job rests with netional governments, and I don't say this In order to duck my respon-

You talk about greater transparency, referring to the commission. But the real center of power is the Council of Ministers, which operates in great secrecy, Do you like this system?

When I arrived, I said I wanted e commission with autonomy thet would also be more responsible and accountable. Contrary to my colleagues who were looking to the Europeen Perilement, I was prepared to have us removed by the European Council (EC heade of state and government]. But in return, i wented greater autonomy. Did you know that there are 166 groups of national civil servants representing national governments working for the Council of Ministers? When we make a proposal destined for the council, it goes through these nationat civil servants, and that is

stuck. Starting around 1986, for example, I felt we needed a

where thinge often get

statute allowing the establishment of pan-European corporations to facilitate joint ventures and cooperation between companies, which, even tor the Americans, would prove difficult considering the different legal and tax systems. We drafted a plan containing 40 articles. It has not yet been adopted. It is still circulating in the Council of Ministers, and it now con-

taine 200 articles. Turning to the topic of monetary union, do you be-lieve that the commission and the council should have managed the campaign for a single currency differently?

No. I believe support for



Jacques Delors, president of the EC Commission; 'Much remains to be

the goal of monetary union, a single currency, is reflected in every survey of public opinion as one of the most important plilars of European Integration. The Issue is whether or not we are, in fact, capable of moving toward e single currency -that is, of following the agende set out in the new treaty. What needs to happen

next? There is e lof to think about, notably in the mar-kets, so that they regain Ce in the Ecu and

are 100 percent convinced that the single currency and economic and monetary union are credible. Can all 12 EC member states stick to the agenda?

It is possible that the agende will be adhered to, perhaps not by all the 12 member countries at the same time, but by a certain number of countries. No one can say that the world monetary system today is functioning satisfactorily.

This means that a minimum of seven countries, according to the Maastricht agreement, can take the first step toward monetary union.

Exactly, But that does not mean that Europe will be moving at two speeds. It

means that certain countries will benefit from an extended period of transition. But there are precedents. When I proposed the total liberalization of capital movement, we agreed to grant periods of transitionvarying between two and four years to four EC mem-

Do the recent devaluations of the British pound and the Italian IIra imply a failure of the European Monetary System?

We need to look at essentials. If there are currencles that fell, it is because the fundamentals of their economiee were not judged to be satisfactory by the markets. The EMS cannot be considered e factor here. It can, however, force a certain cooperation or convergence among member-country economies. In that sense, it has been very successful.

Many economists believe we are facing at least one more year of economic stagnation, or recession. What is your remedy?

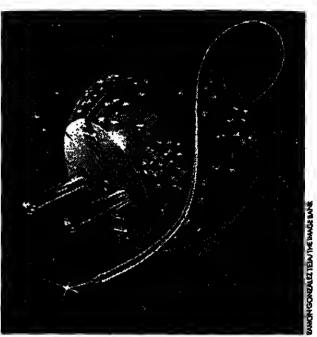
We need, above all, to think in terms of greater cooperation emong ourselves, and to support pub-lic and private investment. And that is why we are so committed to a vast program of improving the natworks and infrastructure of Europe, This is the only way to have our internal market bear more fruit, internationally, it is absolutely essential for the Group of Seven **Ithe United States, Germa**ny, Japan, France, Britain, Italy and Canada] to once again become an organization that has credibility and can react. This has not been the case for the past three years, with most members playing "lonesome cowboy."

Do you believe that the Community can speak with the Incoming Clinton advoice regarding future trans-Atlantic cooperation over Infrastructure Investments?

Yes. I favor e U.S.-EC partnership. However, our room to maneuver in budgetary terms is very small. We lack savings, so we cannot tax much. What we can do is use what little margin we have to sustain Investments, which means expanding the public sector - combating poverty in

our cities, for example, What will it take to reduce the number of unemployed - 12 million - In the Community?

A GNP growth rate of over 3 percent. At that point, unemployment would decrease slowly.



A universal plug? Not for the EC, which cannot agree on

"Fortress Europe"? Emphatically not, says the official. It has been shown that the single market rules make it necessary that some protectionist measures be abolished. He quotes the case of Japanese cars, allowed into some EC countries but not into others. "If there were to be e "fortress," we would have to extend the protection," he

made toward letting in more Japanese cars. The Business Perspective

says. "In fact, this is not happening. There ie no crash program to abolish restrictions, but slow progress is being

American business in Europe, as reflected by the EC Committee of the American Chamber of Commerce, has been greatly pleased by the commitment to a free and open

market shown over the years by Community leaders.

Julian Oliver, who as well as being chairman of the committee is a vice president of American Express Europe, says that in many respects U.S. companies have always looked at Europe as a single market. "But we have been trustrated by hindrances such as national barriers and different standards - hindrances that have meant we were unable to take advantage of e rationalization of scale,"

That is now past. The single market that is elmost wholly created is "bigger and more extensive than anywhere else in the world." It is no longer necessary to think of the market as 12 fragmented sections. "It is not perfect, but we

can operate quite well," he says.

He is dismissive of the dangers of e "Fortress Europe," in spite of the current tensions. "There is e tradition of protectionism in three or four of the national markets," Mr. Oliver says, "and one hears echoes at the Community level. But there is no doubt about the commitment of the major-

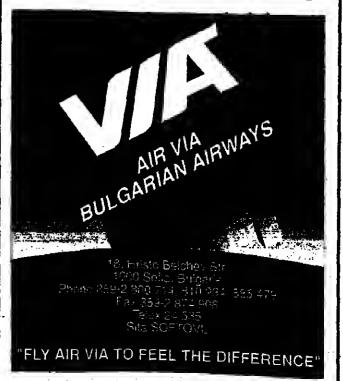
Because of his connection with American Express, Mr. Oliver is particularly concerned with the financial sectors - banking, securities, insurance and pension funds. On most implemented. Banks are now able to set up branches In other EC countries in which they have subsidiaries without the hugely complicated paperwork and capital investment that was demanded before. The benefits - for ordinary customers looking for somewhere to cash their checks and for businesses transporting capital around Europe - are large, and will grow over the years.

Securities have proved more difficult - big cultural differences have become apparent about what rules are necessary concerning investing money, with Britain and the Netherlands finding themselves isolated on some matters. But political agreement was reached last summer, and the relevant documents were expected to be prepared before the end of the year. It will take another 12 to 18 months for the new rules to come into effect. As with banking, the concept is for a "single license" for all 12

Insurance has in many ways proved the most difficult. Governments are deeply involved in ensuring that the consumer is protected during what are inevitably long contracts, and this makes openness to competition more difficult. "Life insurance is 10 times more expensive in Portugal than in Britain," notes Mr. Oliver. It is a complex area, with cultural differences playing a strong role, but the last building block of an agreement was put in place during negotiatione in November. Again, there will be e delay, probably of about two years, before the agreement is Implemented.

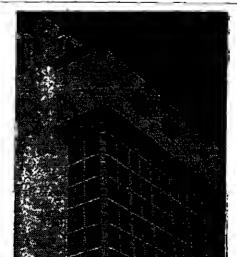
The free movement of pension funds has similarly proved difficult to ensure. Government rules and cultural differences are inevitable, once again because of the need to protect the consumer - a need sometimes imperfectly met. In some states, pension fund managers are, for instance, forbidden to invest money outside national borders. This can be a serious hindrance to the free flow of

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7 The World's Rendezvous

Pierre Godfroid, president,

wars. The battle is unfair,

and the whole industry is

registering bad financial results. Today, Europa

needs a global strategy to

strengthen the market po-

sition of its airline industry

rather than an ideological

approach axclusivaly

based on free enterprise.

In the long run, this last

approach would be detri-mental to the customers

as well as to tha industry.

The Single Market

capital. Again, agreement in principle has just been reached, but there is a distance to go before it is made

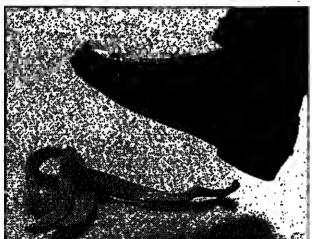
There will be an interesting side effect of the eventual creation of a single financial market - and of a single currency, it is hoped. The rules of the International Monetary Fund and the World Bank say that these two Institutions must be at the biggest center of foreign reserves: they may have to move from the United States to Europe in the

Another area in which American capital has been greatly involved - and in which it hopes for greater involvement is telecommunications.

Eric M. Vaes is chairman of the telecommunications committee of the American Chamber of Commerce EC Committee as well as being a leading businessman in that area. He explains that the European market for telecommunications services and equipment amounts to 100 billion Ecus (\$123 billion) a year, with services growing at about 10 percent e year and equipment growing at 6.7

The aim is to liberalize the market for telecommunications equipment and services, open up public procurement policies and harmonize standards. Major Initiatives have been made by the commission, but have met considerable opposition from some national operators, which are still government-owned throughout the EC, except in Britain.

Tha EC decisions are based on the telecommunications Green Paper published in 1987, and the progress since then in bringing forward legislation has been an "outstanding achievement," according to Mr. Vaes. But actual pro-



gress has been "slow and painful" in the areas of satellite

Voice telephony provides the bread and butter of national telecommunications operators. The commission has recently published its latest communication on liberalizing voice monopolies, which has provoked considerable dis-

The industry believes that full liberalization of voice telephony must happen, but that it will come about in stages, not overnight. A timetable of five to eight years is risualized; commission sources say nothing final will happen before the year 2000. Users are worried about how well and how fast member states will transpose EC telecom-

Progress has been made. In Belgium, for instance, the Belgian PTT employed 28,000 people, but it was not uncommon for a customer to wait three months for a new phone to be installed. Now a new name, Belgacom, has come with a new efficiency and the determination that a radical transformation will take place in the future. The plan is for 30 percent of its revenues to be exposed to crossborder telecommunications competition.

As Europe gradually opens up the market for telecommunications equipment and services to full competition. the opportunities for European and foreign investment will be large. Users hope that the result will be better service and more competitive prices. Mr. Vaes says that Americanbased companies operating in Europe still find that on a

Views From the Boardroom

"Europe '92 was a fantastic idea of Jacques Delors's to promote a commarkat from Copenhagen to Athens In a spirit of freedom and free enterprise.

Airlines are contributing to this idea. They comfortably transport people andgoods all over the world. They help people to understand each other better. But '92 was not a magic date for tha airlina Industry, which has been operating in a free market for years.

However, European airlines are concerned about two major issues that could endanger their future in regard to American or Asian competitors.

First are the competitive rules between airlines, within Europe and across the Atlantic. Some U.S. airlines, which are still alive thanks to the protection of Chapter 11, have Initfated aufoidal price

A second problem still handicaps European airlines: the absence of unified systems for air traffic control. In the continental United States, 20 ATC centers control a single airspace with a single system. There is, in tha United States, a "single sky." In Europe, 54 ATC centers work with 31 different system families to control 22 air systems in over 70 programming languagea. There is no "single sky." The key is political. European airlines are urging their ministers of transport to improve this situation guickly. We estimate that thia bad organization

costs ua 1 percent of our Europe without borders will be a reality starting in January '93. But there is still a lot to do to get a strong European airline industry operating in one single sky for tha satisfac-

Views From the Boardroom

"Alcatel Alsthom embraced the European ideal many years ago. Over the past decade, it has proressively built up a wide European prasance, aimed at providing the corporation with the capabillty to compete with Its major North American or Far Eastern challengers in the global marketplace.

Today, Europe is Alcate Aisthom'a home country. We have sales of 17 billion Ecus (\$14 billion) in Europe, where we employ ovar 150,000 paopla. Thasa amployees ara mostly nationals of different EC countries, where our subsidiaries are often leaders. Most ot our accounts are in Ecus, tha currency we also use for intarcompany transactiona. Our laboratories and factories have learned to work together, be they English, German, Belgian, Spanish, Italian or French.

From this European base,



Pierre Suard, chairman and chief executive officer, Alcatel Alsthom.

Alcatel Alsthom has axpanded to the other conti-

We have, therefore, a broad, field-tested, experience in striving for the creation of a competitive industrial Europe. I have to say, however, that our quest has often been hampered by the lack of industrial vision of European policymakars.

Europe is now lar Irom being a single market. This deprives EC companies of the key competitive advantage of economies ot scale that their foreign contenders enjoy in their own domestic markets of North America and Japan. In such a context, opening up the Community market to world competition on Jan. 1, 1993 is a challenge in itself. But doing it, moreover, without having negotiated beforehand the reciprocal accass of European suppliers to the currently closed home markets of those competitors totally disregards industrial realities and

would be suicidal. The referendums on the Maastricht treaty in Denmark and Franca hava sent a clear message to all Eurocrats: Please, listen a bit more to your citizens. Listen to your industries was also part of the mes-



The banane controversy elmost caused a slip-up in the Treaty of Rome - and continues today.

and mobile communications and voice telephony.

munications legislation into their national legislation.

directly comparative basis tha cost of telecommunications

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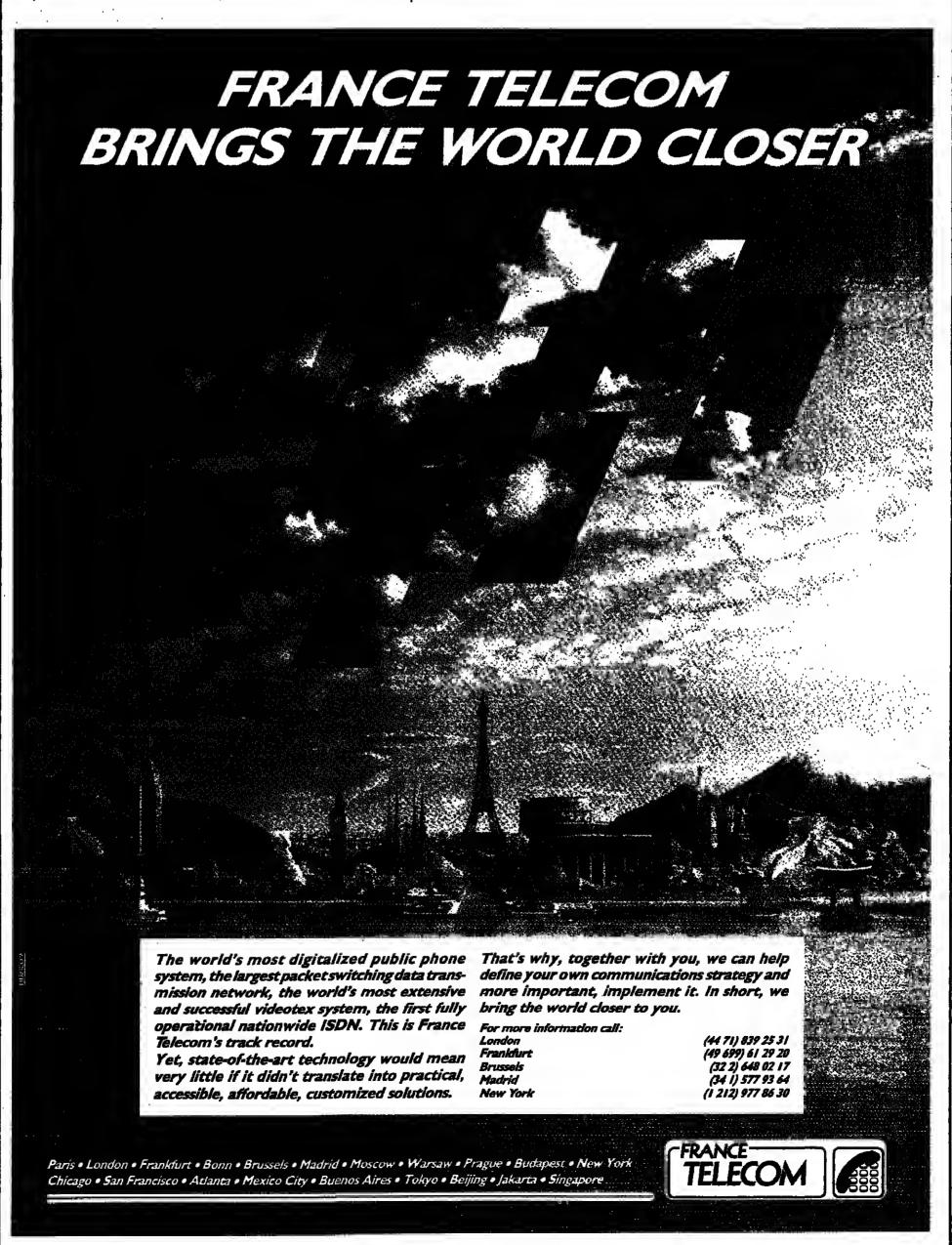
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Views From the Boardroom

"We expect the removal of trade barriers to generate a vast, freer and more homogeneous European markel that will offer further business opportunities, although we do not anticipate any drastic

changes post-1992. Europe is strategically important, part of our tripolar business structure that also embraces North America and Asia. We set up the Toshiba Corporation Europe offica in 1989 to coordinate our European operations.

In 1991, our consolidated sales in Europe totaled 365 billion yen (\$3 biltion), 25 percent of overseas sales. We now operate a European network of 37 subsidiary and affiliate companies, 21 of them with a local president, and employ almost 5,000 peo-

Our aight Europaan production facilities manufacture semiconductors, personal computers, copiers, VCRs, color televisions, microwave ovens and air conditioners. Lo-



shiba Corp.

Fumio Sato, president, To-

cal content is increasing, and approaches 80 per-

cent in some products. We also pursue R&D, and established e research center in Britain in 1991. We have good relationships with major European companies such as Siemens Thomson and Alcetal Aisthom.

In the post-1992 market. we will continue our longterm strategias of strengthening our busi-ness infrastructure and promoting localization. We will make every effort to achieve an efficient organization that meets the demands of a unified European market."

Views From the Boardroom



Percy Barnevik, president ABB Asea Brown Boveri.

"For a company like ABB, important EC-driven changes are occurring in the areas of public procurement and the ability of companies and countries to establish and equally utilize energy supply and distribution systems between nations and re-

However, for us, "1992" is an ongoing process rather than a limited program. Some of the originally envisioned developmants have been

overtaken by the enormous challenges that confront the "New Europe," which now must include all nations from the Atlantic to the Urals. If the 400 million people

tiving in Eastern and Central Europe are ignored, all of the progress made under the EC banner will be overwhelmed by the economic and social problems in the nations formerunder Communist rule. Tha EC and present EFTA nations - all of the

has to apply itself to giving

broad support and creat-

ing a positive environ-

ment, especially in re-

search and development."

West in fact - cannot afford to build a welfare wall between us and these struggling peoples. We must help these nations make significant progress toward integration into e new Europe comprising 800 million citizens

The business and social challenges are enormous, but the spirit behind the original EC initiative must be expanded to include everyone living in the European house.

Views From the Boardroom

"For Aerospatiale, Europe has been a reality of life for many years: 1992 is but one more step along a path it has deliberately and steadily followed with Its friends and associates. Moreover, such ventures as Airbus Industrie or Arianespace. In the development of which my company has exercised a major role, have been decisive milestones in the bullding of Europe.

The completion of the internal market is certainly a good point where manufactured goods are concerned. However, to be efficient in the long run, especially in terms of employment and economic strength, this development has to be integrated within e large scope, in-



Louis Gallois, chairman and chief executive officer,



tion and harmonization of the EC telecommunications market is an irreversible process. Telecommunications enhances the competitiveness of companies in Europe and stimulates the growth of the economies of member states and of the European Community. In more general terms, a submission to the commission by the EC Committee of the Amer-

is generally higher in Europe than it is in North America. To conclude, Mr. Vaes stresses that the further liberaliza-

> ican Chamber of Commerce says: "We believe that the single market is an ongoing process, and continued action will be needed at EC level.... To be effective, implementation and enforcement of EC legislation must be closely monitored by the EC Commission."

> In another submission, the committee says: "The application of the principle of subsidiarity is likely to increase the extent to which the implementation and enforcement of EC legislation will be delegated to member states. Unless there is an Increase In the monitoring at EC level of the Implementation and enforcement, and greater effort paid to ensuring that there are practical (i.e., speedy and enforceable) judicial remedies at member state level, the success of the 1985 White Paper program could be eroded."

Consuming Concerns

There is not a single electric plug that can be used throughout the single market, and agreement cannot be reached to put this right.

This is one of the concerns listed by the European Consumers' Organization (known as BEUC, its French acronym) in e submission fo the EC. It is a small fallure, but consumers are also worried about bigger things.

"The removal of barriers to the free movement of goods, services, people and capital across frontiers will not in itself create a single market for consumers," says the submission. Producers will "retain many possibilities of

placing practical obstacles in the way of crossborder purchases by consumers" (as with cars). The delivery of medical services will be influenced by national reimbursement systems. There will not be e single market in air-transport

services, because of the absence of e comprehensive competition policy in this sector. There will not be a single regime tor product liability throughout the Community. Incompatible standards for television and video will contin-

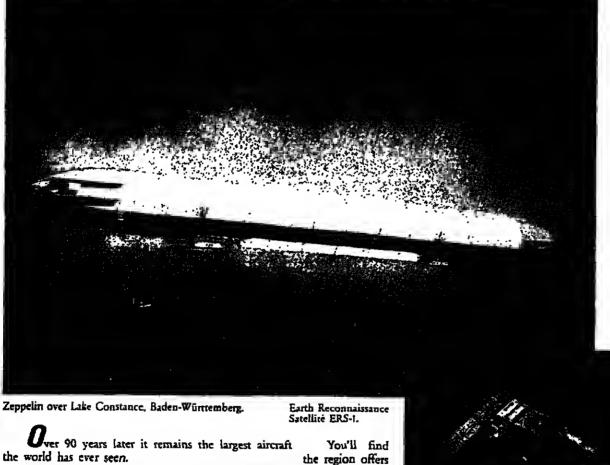
The single market may have a negative Impact, say the consumers, because of the need for harmonization or mutual recognition. "The process of reaching political agreement on harmonization has led to the adoption of standards that are very much lower than those in the best member state," the submission says.

For example, some consumers will have to accept food

additives previously banned by their state. "In some countries, consumers will experience cross-border advertising on television and in distance selling that does not meet



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airships first flew, yet the attitude they forged remains the same. The skies still hold the challenge, but now the hold of the new age in science. challenges are for faster, more efficient communications,

and improved management of the earth's resources. Those challenges are still being met, in the area where much of today's advanced technology began -Baden-Württemberg.

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Mr Günther Fuchs

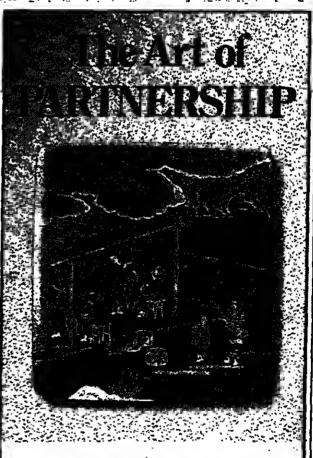
The Ministry for Economic Affairs of the State

Maybe that's why so many of today's forward thinking

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companies have made their base right here, at the thres-





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EC 12 years and sever-

al hundred thousand

words to define it.

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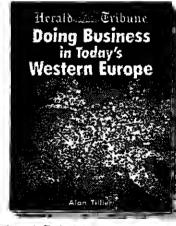
organisation in Europe has grown to 37 companies managed and staffed by 5,000 local employees. Together, we're also breaking new ground in other fields like information systems, medical equipment, telecommunications and energy.

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1 The World's Herrican

The Single Market

the national standards." The consumer organization urges "a positive effort to harmonize at a high level of consumer protection." It alleges that there is sometimes a "blatant failure" by member states to implement and enforce single market measures. "It is consumers who suffer most from what is often a cynical disregard of the obligations of Community mamber-

ship," says the document.
"There is also the danger," it adds, "that the principle of subsidiarity may be used as an instrument for ensuring that there is no adequate regulation, whether at Community or national

The organization urges action to protect consumers. "A eelf-regulatory scheme in one country.

must extend its scope to all consumers throughout the Community." A data base should be established containing details of consumer rights and redress mechanisms, and the system for the rapid exchange of information on unsafe products should be upgraded.

Building on the Base

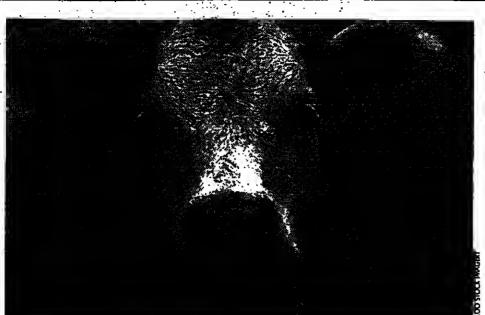
'The challenge now," says an influential report published by the EC Commission in October 1992, "is to reassure the consumer and to capture the Imagination of business, particularly of smaller firme, that the rule of a really frontierfree market will be applied across the Community. When this is achieved, the internal market will truly be seen as the basic stepping stone in the construction of Europe."

The report, which figured in discussions at the Edinburgh summit, was prepared by a committee headed by Peter Sutherland, e former commissioner from Ireland, that was set up in March 1992 to consider what needs to be done next so that "the full benefits of the internal market are secured in practice after 1992."

The committee considered evidence submitted by the consumers' organization BEUC. "The Community's Internal market will benefit consumers by giving them a wider choice of goods and services," it says. "It will also benefit businesses, small and large, by providing them with market

Tha current position is that the Community has already taken nearly all the decisions required by the 1985 White Paper and they are gradually coming into force. This progress is clearly a remarkable achievement. Our report is about how to make the Internal market operate effectively now that its foundations have been laid.

The report acknowledges that doubts exist about the way the internal market will work in practice. "Much more needs to be done to explain the need for and operation of the new laws," it says. It calls for a communications strategy, "supported by action to make Community law clear,



The legal connection of cows with ice cream; a matter of considerable debate.

Eastern Europe / Take a Number, Please

Applicants / Moving Toward Membership

Candidates Progress, Except for Swiss

how to expand from its current 12 members to perhaps 30 or more in the next century. The first enlargement phase is likely to be-gin in 1995 or 1996.

Following last spring's Danish "No" to the Maastricht treaty, the European Community laid down its admission requirements: e competitive free-merket economy, a democratic system respecting human rights and acceptance of the treety. Furthermore, candidates are expected to identify with the goals of achieving a political, trade

One challenge facing the and currency union, and European Community is accept a common foreign and security policy. in e first phase, four of

the members of the European Free Trade Association that have already appiled for membership -Austria, Finland, Norway and Sweden - could be admitted in the next three to four years.

Although their applications were submitted at different times (Austria in 1990, Sweden in 1991, Finland and Norway this year), the EC is likely to accept them en bloc. With thriving economies end compatible political and economic sys-

tems, the four states fulfill EC requirements, though their neutrality remains e potantial obstacle. Some longstending disegree-ments, like fishing in the case of Norway, remain to be thrashed out.

Switzerland, which had also epplied for membership in 1992, recently rejected joining the proposed European Economic Area in a country-wide referendum. The EEA, scheduled to come into effect early next year, would create e single market between the EC and EFTA countries. The vote was seen as e clear message of preference for continuing economic isolation from the

Says Anton Pelinka, political analyst and professor at the University of Innsbruck: "The Swiss vote is e werning. The EC must change many of its structures to create an effective common market and Integrate other countries. At the same time, it is going to be harder for potential new members to convince their own populations to enter

Formal negotiations with the other EFTA applicants are scheduled to begin in 1993, but an exact date has yet to be set. EC officials have often linked membership talks with agreement on EC finances as well as ratification of the Maastricht treaty, which could take as long as the fall of 1993. Germany recently be-came tha 10th EC country

fo ratify the treaty. This autumn Britein made its approval contingent on the outcome of a second Danish referendum to be held in May 1993 or later. Denmark is asking for e series of "opt outs," or exemptions, which members fear could set e precedent for future candidates. Admission procedures

could be accelerated for a start to negotiations in early 1993. The EC is considering measures to integrate those nations waiting in the wings that will require years to meet EC expectations: Cyprus, Malta, Turkey and the former Comecon coun-

Enlargement is seen as a vehicle to gain lost momentum and push forward the dynamic process of European unity. In recent months, support for expanding the role of the EC has declined. The French and Danish referendums on Maastricht rallied opposition against what opponents termed the "faceless bureaucrats" in Brussels.

To accommodate a potential expansion from 12 to 30 or more member states, far-reaching institutional reforms may be necessary. This could entail holding e new summit meeting before "Maastricht 2" in 1996, and lead to broader authority for the EC Commission. acting as e European govemment in a United States of Europe.

The EC has concluded or is negotiating association agreements with several East Europeen netions. Czechoslovakie and Hungary have moved furthest in their reform efforts and could be the first to be admitted. EC officiels fear increased agricultural competition, e flood of cheap industrial products and billlons in edditional expenditures from the EC budget for the poorer East Europeans, Soma EC laaders, however, want to integrata the region for political and security reasons before the 10-year transition period is **Clifford Stevens**

Meanwhile, Further Down the Waiting List

While some of the more. Westernized East European countries have successfully regotiated association agreements that strengthen their ties with the European Community, other ex-East bloc countries have a longer way to go before they can hope to achieve this status.

Bulgaria, to give one example, hopes to benefit from an EC connection as it transforms its economy.

The EC association agreements cover cultural, financial and customs regulations and create a freetrade zone within the EC within a 10-year period, leading to liberalization in trade of industrial products. Supporters say the agreements are crucial to further tha reform process, safeguard democracy and stem mounting social problems In former Communist coun-

The East Europeens themselves hope that assoclete membership will boost competitiveness, help attract foreign investment, stabilize economies and provide greater access to West European markets. All envision EC membership by the furn of the cen-

Bulgane, firmly locked Into the Soviet sphere of influence for four decades, began negotiations with the EC in 1992.

Says lise Grosser, Bulgarian expert at the Viennabased Internetional Institute for Comparative Economic Studies: "For the EC, integrating Bulgarla Is important for long-term security and economic reasons. Bulgaria, of all East Europeen netions, was most dependent on Comecon for its trade. Intensive links to the EC are crucial to help the country reorient trade and open up new

For the time being, however, the country faces eco-

nomic challenges. In 1992, the gross national product is expected to decline 15 percent following a 16.7 percent drop last year, with Inflation at 90 percent. Unemployment is eround 13 percent and the national debt has reached \$12 bil-

Bulgarie's reform afforts, which first gained steam after the October 1991 elections, have gained International recognition and new Internetional Monetery Fund loans, American Deputy Secretary of State Lawrence S. Eegleburger urged investors "to take a serious look at Bulgaria." In May of this year, the nation was admitted to the Strasbourg-besed Council of

Europe. In April 1992, Bulgaria passed a privatization lew to reduce the state's 93 percent share in the economy. The process is expected to get into gear next year, with over 200 companies being

transferred to the privete sector in the first phase. Public euctions will be the preferred method for smaller businesses, and direct salas and tenders for larger firms will be managed by a special privatization agency. The government has appointed Western advisors to draw up privatization plans for a half-dozen industrial sectors.

Bulgeria has clearly made progress in developing closer links with the West. As of mid-1992, it had attracted \$300 million in foreign capital and 1,200 joint ventures, 100 with Western participation. But it is also jockeying for posi-tion with its East European neighbors, As Mrs. Grosser points out: "Czechoslovakia, Hungary and Poland have already signed assoclation agreements with tha EC. For Bulgaria not to do so would make it an outsid-

er at a disadvantage vis-à-

vis these nations."

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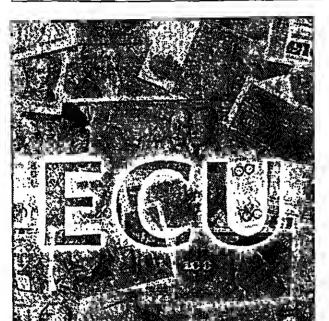
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For the consumer, this calls for greater cooperation between the market control authorities of the member states, "including a clear agreement on how to handle urgent problems rapidly across the Community." Progress is also needed "on long outstanding issues about practical recourse to Community law."

For business, it is important that barriers are not recreated. "There is a risk of fragmentation of the market, arising either from divergent interpretation and enforcement of Community law or from the introduction of national rules which needlessly segment the market," the report says. "Subsidiarity does not and cannot be interpreted as permitting such developments."

For member states, this means "a greater awareness of the need to work with the grain of the Internal market, in particular by building in the principla of mutual recognition before making fresh national rules." For the commission, it means "accepting, whenever possible, some degree of diversity, particularly where national measures have negligible economic impact on the Community."

The report lists a number of recommendations for bringing these general principles into action. It is particularly interesting on the vexing question of the possibla conflict between the acceptance of diversity and the effective operation of the internal market. "The Community has already made considerable progress towards resolving the problem by basing much of the internal market program [the White Paper of 1985] on the principle of mutual

recognition," it says. "There are, however, limits to mutual recognition where there are overriding needs, such as the protection of health, safety, the environment or consumers, and when national legislation is not equivalent."

In these cases, tha Community "should avoid unnecessary legislation," the report says. A careful analysis is necessary, and "when such an analysis concludes that the effect of national measures is not material to the operation of the internal market, we consider that the Community should not insist on legislation: We express a preference for preserving diversity in such circumstances."

Standard Procedures

It is not easy to establish standards. The EC directive on jam took 12 years to negotiate and contains more words than the Old Testament.

Must jam contain a percentaga of fruit? The Portuguese like to make jam out of carrots. Must marmalada contain mostly citrus fruits, as the breakfasting Britons insist? Not according to the Germans, to whom the related word simply means Jam, as it does in many European languages. And so on, with national hackles rising on all sides.

Here is another problem. It is important that safety nets used on building sites should not continue to be used for too many years, as they become unsafe. The French insist that a colored thread be introduced into each net and that the color be changed each year. That makes it easy to say, "Blue nets shall no longer be used." The Germans Insist that a metal plate with a date on it be woven into the net. Both systems work, but to have both in a single market is

wasteful; suppose you want to take your nets across a border. Learned committees are now trying to resolve the matter.

A man deeply concerned with these and similar problems is Jacques Repussard, secretary-general of the European Committee for Standardization (known as CEN, tha initials of the French Comité Européen de Normalisation). This committee was born in the 1960s as a private organization to help European industry — there was already tha worldwide international Organization for Standardization, based in Geneva.

CEN had its work accelerated in 1985 when it was recruited by the EC for all standards except those involving alectrotechnology and telecommunications. In 1985, too, tha EC decided on a "new approach" to standardization, involving a simplified procedure and swifter decisions, an

attempt to avoid the jam quagmires.

The first standard produced undar tha new rules concerned tha safety of toys — they must not have spikes and sharp edges, poisonous paints or other materials, parts that are small enough to be swallowed, and so on. Since 1985, CEN has seen dramatic growth. At that time, there were only a few hundred items on its "order book"; now there are nearly 7,000. In 1990, it produced 100 standards, in 1991 200 and in 1992 300.

The organization has 255 technical committees covering such things as furniture, cranes, roofing and the durability of wood. More than 1,000 working groups are in action. The procedure is for a committee to produce a draft standard that is exposed to six months of public comment. It then goes back to the committee for revision. A final draft will be submitted to all the national mambers of tha CEN, who will be encouraged to consuit everyone concerned. There is a vote, and if the draft receives a sufficient majority it is published.

CEN claims to work on a basic principle of "openness and transparency" and also says, "Standards are developed on the basis of voluntary agreement between the interested parties." If safety is involved, the EC article will become part of individual nations' legislation, and in fact "voluntary" agreements are binding, even if they do not have the force of law, because those are the terms of the arrangement between CEN and its national members,

Some standards are easy. The basic size for a sheet of paper — called A4 — was a German idea that was quickly adopted everywhere. Standards for thermostat radiator valves are more complicated but do not involve national pride or emotions, so national standards made way for a European standard, and life is much easier for industry throughout Europe.

Some subjects are hugely complicated. CEN experts are looking into road traffic "informatics." The technology exists for cars to have a screen connected to map Information, which tells a driver where ha is and which way he must go. This is of great interest to the automobile industry, the military, geographers and mapmakers, road engineers, the electronics industry and others. It would be in the interests of all if a system that worked in Berlin also worked in Lisbon and London. CEN experts are working on it.

and London. CEN experts are working on it.

The size of things is a fruitful field. One dream — which seems possible — is for Europe-wide agreement on having the size of cans of peas and boxes of laundry detergent related to the size of supermarket shelves and carts and also related to the size of trucks and container ships.

There are failures. The British continue to drive on the left. France's high-speed train, the TGV, cannot go Into Germany because of signaling differences. The unit pulling the train from Paris to Copenhagen will have four different systems in it to adapt to different demands made on it. This makes it hugely expensive and unexportable.

It is the labeling and content of foods that cause the biggest increase in national blood pressures. Is it essential that something called "pure orange juice" have seen the inside of an orange? Must "ice cream" have some connection with cows? Can one define what "petit pois extra fins" implies, or what must be in a "cassoulet"? Should there be inflexible rules about how to make a "camembert"? The protection of the environment also poses difficult

questions. Should a person be free to shoot passing small birds?

The principle is that consumers must be protected but

diversity must remain. Fine lines have to be drawn.

A More Business-Friendly Commission

Bureaucrats in Brussels react vigorously against the suggestion that a large and powerful EC bureaucracy is a threat to the 12 nation states and their citizens.

"First of all, it is not large," one official says. "Say 13,000 to 14,000 people. About what it takes to administer an average-sized city. It is smaller than the Scottish Office in Britain."

Second, the EC Commission proposes, but the Council

of Ministers disposes. In other words, ultimate power resides with the elected representatives of the people in the 12 states, not with the bureaucrats, it is often tempting for a government to blame an unpopular measure on people in offices in Brussels, but it is rarely true.

It is certainly a bureaucracy, however, and it does exercise some power in administering the decisions of the Council of Ministers. "The more you create a single market,

the more you need to police it," says an official concerned with competition.

Free trade can be thwarted by cartels, restrictive agreements and excessive subsidies. The idea of competition goes against some national traditions, according to the official. Germany believes in it, unlike many other European states. "We have to synthesize an enthusiasm for competi-

tion," he says.

"The natural tendency for companies is toward cartels," he says. "And the natural tendency for governments is to subsidize. We have to act as a referee."

Much is done by persuasion, but there can also be

compulsion, backed by the Court of Justice.

The policy is to oppose subsidies only if they distort or threaten to distort competition. Aid to depressed regions or to promote new economic activities is permitted, for instance. But aid has to be "carefully modulated," he says. "The aim is to create a level playing field," according to the

Cartels, on the other hand, are described as "bad news for everyone." Agreements on market-sharing, price-fixing, exclusive purchase or selective distribution can all be banned. Action is pending on alleged cartels concerning cemant, steel, sugar, cardboard packaging and PVC materials. In the past, successful action has been taken in such fields as zinc, dyestuffs, recorded music, automobiles and champagne.

On mergers, the commission took steps in September 1990 to ellow it to act only in large cases and in cases that involve more than one European country. The new rules also provided for swifter action and for rulings given in advance. Since that date, it has considered 110 proposed mergers and only blocked ona, proposing conditions in eight other cases.

The thrust is to make the commission "more businesstriendly." the official says. Block exemption rules are possible. "Il you meet the conditions, we will wave you through," he says.

No one denies the difficulties of "an uneasy synthesis of 12 countries," in the words of the official. There was no "emotional bottom" to the idea of a united Europe, he admits, but he adds: "Tha feeling is growing that it is better for us to be together."

The 1992 date itself has no real significance, it was pulled out of the air simply to provide a deadling to be aimed at, "It was a confidence trick," says the official. "But it was a good confidence trick."

Ken Mackenste

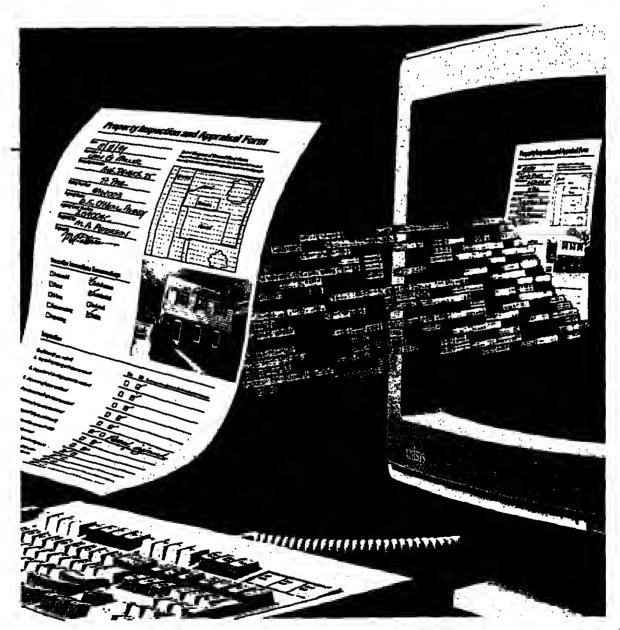
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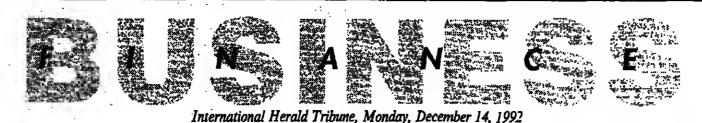
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INTERNATIONAL BONDS

Not for the Faint of Heart: **Latin Funds Yielding 11%**

By Carole Gould New York Times Service

T EW YORK - Seeking to capitalize on investors' frustration with rock-bottom yields in the United States, a trio of closed-end bond funds that invest in Latin American debt and yield roughly 11 percent have come to market in the last five months.

The yields are high, of course, because the risk is high. Combine Latin America's long history of political turmoil with illiquid fund holdings and some leverage, and "you've got a pretty dicey investment," said Thomas J. Herzield, who specializes in closed-end investment and analysis in Miami.

Invest only small amounts in these funds, analysts warn, and only when their share prices fall from

Analysts call the 1980s in Lat- They are basically but the outlook has changed as junk bonds, vulnerable many controlled economies con- to policy shifts. verted to free markets. More recently, Latin American equity

funds multiplied to the point of satiety, so closed-end sponsors have turned to debt. The Latin America Dollar Income fund, managed by Scudder, Stevens & Clark, came to market in July. The Emerging Markets Income Fund, managed by Salomon Brothers, began selling in October, and the Alliance World Dollar Government Fund started

up in November. The Latin funds reduce currency risk by buying dollar-denominated bonds — mainly Brady bonds, issued under a program designed by Treasury Secretary Nicholas F. Brady in 1990 to help developing countries refinance their debt. The U.S. Treasury guarantees payment of 18 months' worth of interest plus principal, but

not until the 20- or 30-year bonds mature. The Scudder fund invests mostly in Mexico, Argentina, Venezuela and Brazil. The Alliance fund invests mainly in Mexico, the Philippines, the United States, Venezuela, Argentina and Brazil.

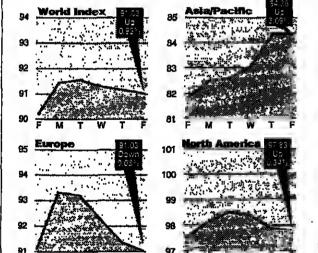
Emerging Markets focuses on Mexico, Argentina, the Philippines and Morocco, Salomon Brothers said, refusing to be more specific. Because the funds own mostly government securities, investors may think they are as safe as U.S. government bond funds. Not so. They are basically junk bond funds, especially vulnerable to sudden policy shifts. Brazil's recent refusal to negotiate with the International Monetary Fund is one example. And there are coup attempts, as in Venezuela recently, and the danger of defaults.

Then there is leverage. The Latin America Dollar Income fund, which is authorized by its prospectus to leverage up to one-third of its portfolio through bank borrowing, has already taken \$10 million m loans against its \$92 million in assets. As survivors of the 1980s learned, leverage is bad news when interest rates rise.

Michael Porter, an analyst with Smith Barney, Harris Upham, says that if President-elect Bill Clinton stimulates the United States economy and investment yields move back up, why not wait to buy U.S. issues rather than risking Brady bonds? For investors who insist on Latin America, he recommends Latin America Dollar. even at a slight premium, but for no more than 5 percent of a



International Herald Tribune World Stock Index, composed compiled by Bloomberg Business News. Week ending December 11, daily closings. Jan. 1992 = 100.



Industrial Sectors/Weekend close

	12/11/82 close	12/4/92 close	% change		12/11/02 close	124492 plate	shange change
Energy	9t.53	90.52	+1.12	Capital Goods	92.01	91.90	+0.t2
Utilities	84.98	85.08	-0.12	Flaw Materials	92.05	91.58	+0.51
Finance	83.05	80.92	+2.63	Consumer Goods	94.23	93.81	+0.45
Services	99.28	99.03	+0.25	Miscellaneous	92.23	92.t0	+0.14

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

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Miyazawa Clinton Tax Plan Meets Math

Calls for Rice Deal

Compiled by Our Staff From Dispatches TOKYO - Prime Minister Kiichi Miyazawa has hinted that Japan would partly open its rice mar-ket to avoid being accused of causing a breakdown in world trade talks.

Foreign Minister Michio Watan-

abe also reiterated Sunday that Japan needed to relax its stance in the Uruguay Round of talks being held under the auspices of the General Agreement on Tariffs and Trade. In his first news conference since shuffling his cabinet on Friday, Mr. Miyazawa said Saturday that his administration was formulating a policy that would both protect

trade talks. "We cannot cause a breakdown in the Uruguay Round," Mr. Miyazawa said. "But Japanese farmers must be able to farm with security and grow rice with security. It's a question of how to com-bine those two conditions."

farmers and prevent a failure of the

Mr. Watanabe said that while Japan still needed to protect its rice sector, "There'll be problems if we don't start thinking about letting in some imports."

He proposed a two-tier tariff plan, under which the first 10 percent of imports would be subject to very low tariffs and the following 20 to 30 percent to very high tariffs. Japan bans virtually all rice im-ports under its Food Control Law,

(AP, Reuters) ■ Minister Sees No Rate Cut

The new Japanese finance minister, Yoshiro Hayashi, said there was no need to cut the official discount rate at this time, adding that market interest rates were declining to appropriate levels, news agencies

reported from Tokyo.
The Nihon Keizai newspaper quoted Mr. Hayashi as saying that the Japanese economy needs some more time before we can say it's completely recovered, but it's not in terribly bad shape."

Mr. Miyazawa said be believed economic recovery was around the corner. He predicted an improve-ment by the close of the fiscal year on March 31.

By Sylvia Nasar New York Times Service NEW YORK — As Presidentelect Bill Clinton's economic team considers how best to turn his campaign promises on taxes into legis-lative proposals, it may feel the

He Aims to Avoid
GATT Collapse

Compiled by Our Staff From Dispatches

Compiled by Our Staff From Dispatches

Control of the ground shifting.

His campaign tossed around a bost of proposals on government financing, from spending cuts 10 getting more tax revenue from corporations and individuals, all sizes. aimed at getting the resources to accomplish goals ranging from middle-class tax relief and public works to balving the deficit.

But the consensus among experts was that many of the proposals were unrealistic, and that the proposal most likely to yield significant new money was tax increases on the wealthiest taxpayers.

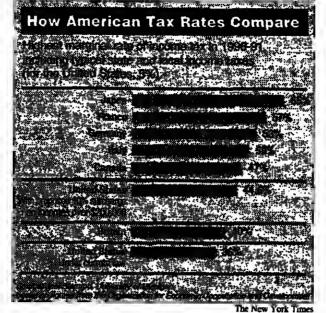
Getting the really rich to pay more was a major plank of the Democratic campaign. For Clinton tax purposes, a couple with income of \$200,000 and a single taxpayer with \$150,000 count as rich.

At the same time, there are proposals for tax relief for the middle class. But the threat of a ballooning deficit has emerged, and econo mists say this idea may have to be trimmed back or shelved altogether. Mr. Clinton, bowever, insisted again Friday that no such back-

tracking would occur.

The problem is that while higher tax rates on high incomes are likely to provide a good deal of new monthey are not likely to generate the \$92 billion over four years that the Clinton camp claimed.

Many experts had been skeptical of that claim. Congressional Budget Office estimates put the added



lion over four years; estimates from Treasury officials and the Republican side of the Joint Economic Committee of Congress are lower.

But even as long-term deficit rojections look gloomier, so also is the outlook for collecting as much from the rich as had been projected even in the lower estimates.

Perhaps the biggest consider-ation is one raised in a new study of how very rich taxpayers react to higher taxes. Published by the National Burean of Economic Research, it suggests that extremely rich people — the top slice of the top I percent of taxpayers - have considerable flexibility to expose revenue at a maximum of \$80 bil- less of their income to taxation.

have has become apparent. Those who can have raced to take bonuses now rather than next year, to cash in stock options — as Michael Fisner, chairman of Walt Disney Co. did — and to move income forward in any way possible.

Just how much flexibility they

Another reason for thinking that the rich will yield less revenue than many riches as they used to. The latest Internal Revenue Service summary of tax returns, for 1989 shows that many high fliers — real estate empire builders, retailers and newly redundant executives - had See TAX, Page 17

Clinton tax planners had hoped is that the rich may not possess as

Iran Beats Drum For New OPEC **Production Cuts**

ملذا مستراؤض

DUBAl - Iran called Sunday for fresh contacts among OPEC members to shore up sagging world oil prices, saying it was prepared to cut its production beyond guidelines agreed by OPEC last month if other members followed suit.

After a week in which world oil rices continued to drop despite a late November agreement by the Organization of Petroleum Exporting Countries to reduce supplies, Iran said it was clear more cuts

were needed. An Iranian oil ministry state-ment issued in Tehran called on OPEC President Alirio Parra, Venezuela's minister of energy and mines, to consult members on ways

of strengthening the market.
The statement said Iran was "prepared to reduce further its production level if other members agreed to do so."

Since the current prices situation indicates that the market is not capable of absorbing the current supply level, the Islamic Republic of Iran is also prepared to further reduce its production level if other members agreed to do so." the statement said.

The 12 member countries of OPEC agreed new allocations for the first three months of 1993 with a total output of 24.582 million barrels per day. OPEC states, excluding Ecuador which has sus-pended its membership, pumped an estimated 24.9 million barrels in November.

But the market, apparently responding to higher-than-expected stocks in industrial countries and a mild winter so far in the northern bemisphere, has not reacted to the OPEC measures.

Iran, which earlier said that its November output averaged 3.9 mil-lion barrels, said in Sunday's state-ment it had lowered production by

300,000 barrels as of Dec. 1. Iran said it hoped that other members had already reduced their production in line with the November accord.

Mr. Parra has blamed the continuing collapse in oil prices, which dropped more than 15 percent in the past eight weeks, on oil market speculators.

Since the last OPEC meeting was held in late November, the price of Wesi Texas Intermediate crude for January delivery in New York has fallen by more than \$1 a barrel to \$19.09 a barrel.

Saudi Arabia, the world's largest oil exporter, has not signaled any willingness so far to reduce its production below its allocation of 8.395 million barrels which was agreed by OPEC in Vienna on No-

■ China as Net Importer?

China may become a net importer of oil by 1995 as its economy surges, said a Reuters report from Beijing, quoting unidentified Chinese sources speaking to the China Daily.

To ease pressure for imports, China plans to reduce oil consur tion in its total energy use, mainly by replacing it with coal. Oil and gas now account for 21 percent of China's total energy requirements.

The Business Weekly, published by the China Daily, said Sunday that China would allow the price of oil on its domestic market to float at international levels, Bloomberg reported from Beijing.

In 1991 China exported 23 milbon tons of oil and imported six million tons. Its current annual

(Bloomberg, Reuters)

Compiled by Our Staff From Dispatches MADRID - Two units of Grupo Torras SA, the Spanish holding company for the Kuwait Torras to suspend payments, judicial sources said. The company has

Investment Office, have filed in court for suspension of payments to their creditors as the effects of Its creditors also include Banco Bil-Torras's own suspension widened, Meantime, the Kuwaiti finance and planning minister, Nasser al Rudha, on Sunday raised the esti-

mated amount of the KIO's losses in Spain to \$5 billion. The Spanish press agency EFE said that Prima Inmobiliaria SA, a property firm, had liabilities of 60 billion pesctas (\$53 million), while losses amounted to \$4 billion. Urbanizadora del Norte SA owed 40 billion pesetas.

The units made their filing as a Management as well as administradive and legal irregularities" at Torday a decision earlier this month by ras.

Management as well as administradive and property empire at one time valued at more than \$5 billion.

Urbanor is carrying out a high-A spokeswoman for the Spanish government said that the governdebts of 243 billion pesetas, three-fourths of which is owed to KIO. ment's main concern was the effect of the suspension of payments on

Ripples From Crisis at Torras Spread to Units

bao Vizcaya and Sumitomo Bank. Receivers will decide whether Torras can meet its obligations or whether bankruptcy proceedings should begin,

At the time Torras decided to file The Kuwaiti finance minister linked the losses in Spain to bad

Ercros, Spain's biggest chemicals group and controlled by Torras, went into receivership in July.

had stakes.

KIO officials were holding talks in London over the weekend on bow to avert collapse at Torras's industrial companies.

KIO began investing in Spain in 1986 and built a paper, chemicals

profile twin tower construction project in Madrid.

Urbanor is 95-percent owned by Prima. EFE said one factor in Urbanor's suspension of payments was a 2.1 billion pescta debt owed other companies in which Torras it by Prima.

A senior KIO official was quoted Saturday as referring to cases of mismanagement of Kuwaiti public funds in several countries.

Besides Spain, financial mismanagement had been uncovered in Portugal, the United States and

Australia, said Badr al Mckhizam. (Reuters, AFP)

production stands at 140 million tons, ranking fifth in the world.

Los Angeles Notebook

Santa Monica Strikes Gold on the Third Street Promenade

Santa Monica is a pleasant, affluent enclave between Los Angeles and the Pacific Ocean, notable for its liberal politics and a large population of homeless people who take advantage of its parks and mild climate. It is also becoming a magnet for shoppers and tourists, thanks to a rebuilt commercial district that is a shining exception to the dismal Califor-

nia real estate scene.
In the early 1900s, Third Street was Santa Monica's downtown shopping district. As was common among American cities outside the Northeast, suburban shopping malls began to lure customers away in the 1950s. Santa Monica fought back in the mid-1960s by creating an outdoor pedestrian mall on Third Street, which, like many American downtown revival projects, failed. "Before 1986 it was a ghost town," said a city official.
"You could shoot a cannon down there

and not hit anybody."
But today, the Third Street Promenade draws up to 25,000 people each weekend night and is putting pressure on Westwood, the outdoor shopping neighborhood in Los Angeles proper. Office space along the three-block promenade is popular, real estate executives said, with Dean Witter Reynolds Inc. among the tenants. The area's revival came after a refurbishment in 1989 and is

linked to two site-specific phenomena,

although planners said the overall con-cept could be used elsewhere. bished promenade opened in 1989, the annual revenue was about \$400,000.

One key to the project's success was the recruitment of three first-run movie houses to join the art-film house already there. The three-block-long promenade now has 5,900 cinema seats, a considerable draw in a city where many residents cither work in the movie industry or think they ought to.

The second draw is, ironically, an indoor shopping mall. Santa Monica Place

is just across the street from the prome-nade, and it was constructed with its back to the outdoor mall.

"When it opened, it really added the last, final blow," said a spokesman for Bayside District Corp., a city-sponsored corporation that manages the promenade. That led Santa Monica to upgrade

the promenade, after getting the indoor mall to open its back wall and put its main entrance facing the outdoor shops. Now, people pass easily between the two The promenade was redeveloped with about \$10 million of public funds and \$150 million of private investment. It brings in about \$4.5 million of direct

annual revenue for the city, which largely

comes from parking and vendor fees.

One important upgrade was the expansion of parking space, and the project now has six garages. Before the refur-

Along the three long blocks of the promenade there are topiary fountains, green kiosks and comfortable beaches (whence the homeless people offer to share the wealth of their more affluent neighbors). The largest single category of stores is restaurants, which account for about 80 of the 200 retailers. Los Angeles residents tend to come to the mall for a specific restaurant or to see a specific movie. Many of the other retailers are boutiques, and there are about half a dozen bookstores. This being California, a metaphysical gift shop opened in No-

Surf's Down on Real Estate

Elsewhere in the Los Angeles area, the outlook for real estate, especially com-mercial real estate, is not bright. One investor said he was told by bankers that they did not see the market recovering for

Several real estate executives scoffed at that number, but said there was little likelihood of much improvement soon. Downtown Los Angeles has an office vacancy rate of about 29 percent, compared with a national rate that was 18

percent in recent months, they said, and there have already been about \$5 billion of foreclosures on commercial real estate in Southern California. More telling, they said, another \$5 billion is expected, the result of overbuilding during the 1980s and current weakness in the California economy. For the coming five years, they said, little construction is expected, but bankers may seem more downbeat be-

Carolyn Stewart, a regional economist at the Federal Reserve Bank of San Francisco, said residential real estate also was "not very promising" but added that "even the most pessimistic forecasts show improvement in 1996-1997." Highcost homes in Los Angeles have been hard hit, she said, but prices have not fallen much for homes in the \$100,000 to \$250,000 range. In such satellite cities as Riverside and San Bernadino, homes are selling for only 5 percent to 10 percent less than the peak years of 1989 and 1990.

cause "they won't have jobs in a couple of

Who Says 7th Is So Bad?

Californians annoy citizens of the earthbound 49 states in many ways. For one thing they measure distance in units of time, so that San Francisco is about five hours north of downtown Los Angeles, or as far away as Santa Monica on a day when traffic is bad. Which recalls another peccadillo, the labeling of almost any strip of paved road a freeway.

But perhaps the worst Californianism

is the oft-repeated claim that if the state were an independent country, it would be the sixth-largest economy in the world. It has never been particularly fruitful to point out that if California were an independent country, it would not host large chunks of the U.S. armed forces and defense industry and a lot of other things besides; Californians just smile and tell you it's great that you can express your-self so forcefully, have a nice day.

But finally, the day of reckoning has' come. California can no longer be considered the sixth-largest economy in the world. The business forecasting project at the University of California at Los Angeles put the size of the gross state product in 1991 at \$720.7 billion. Measured against gross domestic product figures calculated by the Organization for Economic Cooperation and Development, that puts it seventh, behind the United States, Japan, Germany, France, Italy and Britain, which was at \$1.01 billion. California's growth this year is calculated at a measly 0.67 percent, so it will not be making big gains soon.

Mitchell Martin

AND CONTRACT OF THE STATE OF TH **GM Postpones Mass Production** Of Electric Cars

DETROIT — General Motors Corp. has said that it will delay its electric car program until the late 1990s because the market is not yet'

ready for the new vehicles. GM also announced plans on Friday to team up with Ford Motor Co. and Chrysler Corp. to develop common electric vehicle components. The antomaker said it canceled plans to retool a Lansing, Michi-

Toyota is ready to sell 50,000 GM compacts a year. Page 17.

gan, factory it had designated to begin producing a car based on its two-seat electric Impact prototype by the mid-1990s. Instead, GM now plans to make up to 50 electric test vehicles next year at a technical

center in Warren, Michigan. The delay represents a sharp pull-back for GM, which took the lead in electric car development when Rog-er Smith, then chairman, announced in 1990 that GM would mass-produce the Impact by mid-decade.

Analysts have said GM cannot afford the program when its core car lines are becoming outdated.



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WEEKLY INTERNATIONAL BOND PRICES	Spot Issuer Cpn Mat Price Yid Tray	Issuer Con Mat Price Yid Tray Laurer Con Mat Price Yid		Issuer Con Mat Price Yid 1777
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Fear Signs Of Revival

Compiled by Our Staff From Dispatches NEW YORK - The U.S. Treasury market will closely watch auto sales and housing starts this week for any further signs of sharp imovement in consumer spending.

Although ecocomists and traders are not expecting any big surprises, a series of economic indica-tors are scheduled to be released and any further signs of economic strength after Friday's surprisingly strong retail sales figures could cause short-end yields to rise.

The first important figure will be auto sales for the first 10 days of December, due Tuesday. A survey of economists found a

insensus for annualized sales of U.S. CREDIT MARKETS

6.1 million autos for the 10-day period. Anything significantly above that could attract market atention, some analysts said.

Housing starts for November, to be released early Wednesday, will be watched closely for the same reason. The consensus is for an annual figure of 1.25 million units. up from 1.23 million in October. Any substantial rise in auto and housing data above the consensus "could be negative" for Treasuries, said Mike England, director of research at MMS Internacional.

The market is skittish and if we do see signs of more sales strength, we may see both the long and the short end come under pressure," be

Jobless claims for the week ending Dec. 5 will be released early Thursday. The consensus is for 353,000 claims and again analysts said any number significantly below this would draw market atten-

The 30-year Treasury bond closed Friday at 102 6/32 for a yield of 7.43 percent. The previous week the bond ended at 101 19/32

for a yield of 7.48 percent. The 7-year note ended at 97 16/32 to yield 6.45 percent, compared with a price of 97 10/32 and a yield of 6.48 percent a week earlier. The 2-year note ended at 99 24/32 to yield 4.73 percent, compared with the previous week's quotations of 99 28/32 and 4.67 (Reuters, UPI)

Bond Bears Toyota Deal Would Give GM Big Boost in Japan

DETROIT - General Motors Corp. and Toyota Motor Co. are discussing plans for Toyota to begin selling 50,000 GM-built small cars a year in Japan beginning in 1995, a trade

magazine said. According to Ward's Automotive Reports. the deal would give GM cars the largest foreign presence in the Japanese market, where it sold only 7,541 vehicles this year through October.

Spokesmen for GM and Toyota said they were not aware of the article in the edition of Ward's dated Monday.

equipped with the steering wheel on the right side because the Japanese drive on the left side of the road.

For Toyota, such a deal could help ease trade tensions created by its push to sell U.S.-built and imported cars and trucks to the United States. The 50,000 GM cars would not harm Toyota sales in its home market, Ward's said. Increasing the sales of U.S. cars in Japan was a major focus of President George Bush's trade

mission to Japan last January. But the trip

brought only vague statements from the Japa-

The magazine said the cars would be nese on more purchases of U.S.-made vehicles The GM-Toyota discussions involve redesigned 1995 models of GM's J-cars, currently the Pontiac Sunbird and Chevrolet Cavalier.

The cars for export likely would be built in Lansing Michigan. Ford Moror Co. is hoping to iocrease its presence io Japan and possibly build vehicles

Motor Corp., of which it owns 25 percent. Honda Motor Co. sells Jeep products for Chrysler Corp. in Japan. (AP, Bloomberg)

somewhere in Asia through its ties with Mazda

The Week Ahead: World Economic Calendar, Dec. 14-19

A schedule of this weak's economic and Asia · Dec. 14 Tokyo Bankruptcies fo November - Outlook: 26th straight monthly rise, due to apreading downturn.
Toligo Crude steel production figures for November. Forecast: Down 7 percent nonalist Party to win a majority of the 161

rises 24 percent year-on-year to 27.94

Tokye Wholesee price incex for No-vember, Forecast: Inflation stays low, e Bee. 16 Hong Kong Trading beings in shares of Guangzhou Investment. Out-jook: Price rises sharply for China-con-trolled real estate firm.

percent on year. Wellington Reserve Bank of New Zee-Watington Reserve Bank of New Zea-land Issues blannual statement on mone-tary policy aimed at 0.2 percent Inflation target by December 1983.

Talpel Central Bank releases data on foreign suchange reserves for October. Forecast: Reserves decline from \$89.5 bil-

Earnings expected: Fujt Photo Film. • Dec. 16 Beijing U.S. Comme Secretary Berbera Franklin starts • fi Secretary Berbara Franklin starts o five-day visit, Agenda: U.S. trade deficit with

China.

Canberra Housing financing approvi for October, Forecast: Flat to slight ri after 5.5 percent tall in September. sion officials testify before House of Representatives committee investigating

Wellington Retail sales figures for October. Forecast: Rise of 3.5 percent. Seouf Presidential election. Outlook: Kim Young Sam, the governing party carrdrdate, leads in most polls.

• Dec. 19 Taipel National elections

 bec. 14 Ameterdam October trade balance expected this week. Forecast: 2.0 pillion guilder surptus, after 1.8 billion prouture ministers, while EC Com-on discusses outcome of Edinburgh

percent nee in October.

Parts Bank of France repo tender. Outlook: Key Intervention rate unchanged,
28.4 billion france expiring.



nor surplus, after 8.3 billion knonor sur-plus in October. Rome October industrial wholesale and

London p.m. flx.\$ 335,10 335,60 -0.15 %

Forecast Industrial wholesale prices up 1.0 percent, producer prices up 1.5 percent, as in September.

Zurich November Irade balance expected this week. Forecast: 400 million Swiss Irang surplus, after 463 million trans sur-

plus in October Helsinki November trade balance expected this week. Forecast: 1.8 billion markkas surplus, after 1.5 billion markkas

Copenhages November consu price index expected this week. Forest price index expected this week. Forecast. Up 1.3 percent in year, after 1.6 percent

London October manusacturing output-Forecast Up 0.3 percent in year, after 0 5 percent Orop in September.

• Dez. 16 London November retail sales. Forecast: Up 1.0 percent in year, after 1.9 percent rise in October.

Pec. 17 London November U.K. un-employment, Forecast: 35,000 increase, after 24,200 rise in October.

 Dec. 16 Bonn Final Maastrichi rat-Scation.
 Paris October industrial production. Forecast Unchanged month-on-month. Parls Carrefour extraordinary share holders meeting to approve tightening of

Americas

Dec. 14 Washington Treasury re-ports 3- and 6-month bills auction results.

reports on seléctéd inferest rates. Buenos Aires Sociedad Comercial del sale after a slump that seni sto over 50 percent since June Outlook

ed by six other bid Earnings expected: Federal Express.

Dec. 15 Washington Third quarte current-account halance, after \$17.8 bit

al car sales rate for Dec. 1-10 period ex pected to stacken from unexpected atrong 7.3 million pace in late November . Dec. 16 Washington November

cast. 0.7 percent increase in industrial production at 78.9 percent capacity utili-

lary awards project to build and launch country's first communications satellife. Mexico City Treasury bills sales. Outexpected to remain close to last week's 16 67 percent level.

Dec. 17 Washington Inmal weekly Washington October merchandise trade balance Outlook: \$8.1 billion defi-

Economists expect exports to total \$13.2

Earnings expected: Great Atlantic & Pa critic Tea, Micron Technology, Pier ports Inc. and Shoney's.

BUSINESS BRIEFS

U.S. Executives Sound Upbeat Note

NEW YORK (NYT) — A growing oumber of America's senior executives say the U.S. economy is improving.

Sixty percent of 499 senior executives consulted in a New York Times/CBS News poll in early December said they believed the economy was getting better, with 34 percent saying it was oeither improving our deteriorating. That compared with a more pessimistic view held in late February, when 47 percent of executives found the economy getting better and 44 percent said it was staying the same.

A total of 81 percent of respondents said the election of Bill Clinton Clinton would oot be able to create jobs and reduce the deficit in the next four years; 58 percent added that he was unlikely to cut the deficit.

German Warning on Falling Income

BONN (Combined Dispatches) — The leader of Chancellor Helmut Kohl's junior coalitiou party, the Free Democratic Party, said Sunday that West Germans will have to accept lower income to support Eastern areas. "We are in a position in which we have to cut back somewhat on our wistes and demonds" said Otto Lambedout the EDP chairman. wishes and demands," said Otto Lambsdorff, the FDP chairman. Hans Peter Stihl, president of the German Federation of Industry and Trade, said in a Sunday newspaper interview that the German economy

would show zero growth next year but that "the decline will bottom out in "After that imemployment will stabilize and begin to fall in 1994," he

U.S. Is Taiwan's Biggest Supplier

TAIPEI (AFP) — The United States has replaced Japan as the largest supplier of goods to Taiwan for the first time in more than four decades. economics officials said Sunday.

Imports from the United States were worth \$1.95 billion in November, or 28.4 percent of the island's total imports, while those from Japan stood at \$1.91 billion, or 27.9 percent, officials said. The increase in imports of U.S. goods resulted in a sharp 86.3 percent

decline in Taiwan's trade surplus with the United States to \$130 million, from a year earlier. The officials said the reduction could help minimize that the disputes between the United States and Taiwan.

For the Record

Major Japanese commercial banks are becoming reluctant to offer loans at prime rates and such loans are becoming a smaller part of total loan business, Nihon Keizai Shimhun said. (Bloomberg)

Pacific Telesis Group, parent of California's largest telephone compa-oy, said it would split off its phone operations from its newer telecom-

FRANC: In Search of a Solution

(Continued from page 1)

Higher interest rates, not very banks that could then begin to infect other parts of the financial

SION ITOM not warranted by economic funda-

the end of the century.

France, like Denmark, needs and 6.42 percent in Denmark. For three- to six months time.'
Germany, whose official interest The franc's temporary with rates are the lowest in the European Community and whose inflation is among the highest, the real rate is

3.86 percent.

Jonathan Wilmot, a London-Boston, said: "Greater exchangerate flexibility between now and 1997, including in the Deutsche mark-French franc parity, is probably the only way to give European monetary union a chance, and per-haps the only way to get sufficient growth and employment for the EC to stay in one piece over that peri-

He believes that if France temporarily withdrew from the fixedrate system and slashed interest rates, the franc would initially fall,

probably no more than 3 percent from its current level to about 3.50 disadvantage at a time when eco-nomic slowdown is hurting exports. francs per DM.

But he is also convinced that credible with unemployment so high and French parliamentary earlier, the franc would have recovelections approaching, carry ever ered to 3.35 francs per DM, nearly less convinction as they only risk to 2 percent above its current level. On the basis of current readings for inflation, the budget deficit and

the consensus forecast for growth in 1993," be said, "it's possible to the European Monetary System is in healthier shape than Germany's, viewed as a face-saving way for the and thus that the franc should be a French government of avoiding a more attractive currency than the devaluation that experts agree is mark." He added: "With wages and in-

World MSCIP

499.10

World Index From Margan Stanley Capital Int'l.

NA -

mentals or abandoning the fixed-flation very subdued in France, rate system so central to the goal of there is no reason for delaying a creating a European monetary move to lower interest rates. The union and a common currency by French economy would be better suited by lower rates now and a France, like Denmark, needs rising exchange rate later as growth lower interest rates. The level of starts to recover. Germany would real" long-term rates - or what is be best suited by a rising exchange left after subtracting expected in- rate now but lower interest rates flation — is 5.90 percent in France and a weaker exchange rate in

The franc's temporary withdrawal and then return in strength to the fixed-rate system, Mr. Wilmot said, "would give a new and surprising twist to the concept of the franc fort, would ultimately be very good based analyst at Credit Suisse First for French bonds and stocks and could easily give the government an enormous boost in the run-up to

the election." Viewed from Paris, this scenario is plausible but too risky. The danger, warned Christopher Potts at Banque Indosuez, is that "it could destroy confidence in monetary stability in Europe."
He added: "What's missing now

is confidence. Break the link, even temporarily, you risk breaking conence. It adds uncertainty and political doubt.

Level Westelle Mandage

Last	W	eK.	'S A	arkets		
All figures or			9 Friday	Manage Balan		
Stock in	100X95			Money Rates		
United States	Dec. 11	Dec. 4	Chrys	United States	Dec. 11	Dec. 4
DJ Indus.	3,304.08		+1.27%	Discount rate Prime rate	6.00	3.00 3.00
S&P 100	396.16	393.30	-1.31 % +0.73 %	Federal funds rate James	294	2 13/16
5 & P 500 5 & P Ind NYSE Cp	433,73 508.18 238.63	507.37	+0.39 %	Oiscount Call maney	314 3 13/16	3¼ 3 13/16
Briticia FTSE 100	2.716.20		1.57%	3-month Interbank Germany	3 11/16	35/16
FT 30 Japan	2.062.80	2,082,40	-0.96 %	Coll money	9,00	8.90
Nikkel 225 Bermony	17,441.	17,296.	+ 0.84 %	3-month Interbook Britain	9,00	9.00
DAX Hong Kong	1,476,01	1,522.16	-3.03 %	Bank base rate Call money	7.00	7.00 674
Hong Seng World	5,253.18	5,268.10	— 0.26 %	3-month Interbank Gold De	73/16 c.11 Dec.4	71/6 Chrye

MUTUAL FUNDS

Figures as of close of trading Friday. 11.06 11.58 15.77 16.51 13.67 14.31 16.44 17.21 15.87 16.19 Funds: 10.83 11.28 PATE 10.92 11.46 US Gov 10.51 11.03 15,09 15.72 10.47 10.9

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TAX: Clinton Proposals Run Up Against Mathematics

ed from first finance page) their wings clipped during the last four years of economic drift. The number of taxpayers report-

ing pretax income of \$1 million or more dropped from 62,000 in 1988, to 58,000 in 1989, and their share of total income shrank from 5.5 perwent to 4.7 percent. Their income in excess of \$1 million, which would be subject to a surcharge under the Clinton plan, fell 13 percent in 1989. Under the Clinton campaign tax

proposals, the top tax rate would jump to 36 percent from 31 percent for people with gross pretax in-comes of \$200,000 or more. The plan would also impose a 3.6 perage point surtax on incomes of \$1 million or more, making their top rate 39.6 percent.

Yet another factor that could lead to a smaller-than-expected increase in tax revenues from the very nch is the prospect that the Clinton administration may opt not to raise the capital gams tax rate in tandem with the top tax brackets.

1 The early assumptions of the Clinton team could also be shaken by the sharp turn for the worse in the prospects for reducing the fed-

When "Putting People First," the campaign's economic manifesto was drafted in the spring, the Congressional Budget Office was

deficit monster. Using those projections, the Clinton team could contend that the deficit would fall by half without imposing much pain on the middle class.

Now, however, Mr. Clinton's strategists must find about \$100 billion a year through permanent tax increases or spending cuts to fulfill his deficit-shrinking pledge. The latest Congressional Budget Office projections suggest that if the economy and policy follow current projections the annual deficit will still be more than \$250 billioo

in 1996 and rising fast. Where does that leave the mid-dle-class tax cut? Robert Reich and other spokesmen for the presidentelect keep insisting that the middle class - which accounts for threefourths of total taxpayer income deserves tax relief. But the consensus view among economists is that come tax credit for poor workers the Clioton administration will with children. Estimated costs are the Clioton administration will have to prune the proposal or even \$2 hillion to \$3 billion a year. drop it merely to avoid inflating the

deficit further. "Even without the middle-class swallow up the revenue raised from tax cut, the plan is mildly deficitincreasing," said Paul R. Krugman an MIT economist. "It would be nice 10 get a sense from Little Rock that there are some hard choices being made."

Mr. Clinton reiterated Friday

optimistically predicting that the that he would not back off from a middle-class tax cut, even though middle-class tax cut, even though increasing numbers of experts say that the stimulus of a tax cut may oot be needed since the economy has shown some healthy signs. But Mr. Clinton said a tax cut

was a matter of "fairness," because

in his view the middle class has

borne too large a share of the tax The president-elect made two proposals during the campaign. One was to grant \$60 billion of relief to middle-class taxpayers. that is those with incomes under \$80,000 for a couple. Such relief, spread over 60 million taxpayers,

would amount to \$300 a child, \$200

for couples without children and \$100 for singles. The second proposal, part of Mr. Clinton's welfare reform program, is to raise the reward of working by expanding the popular earned-in-

the rich and then some. To our readers in France and save with our new tall free

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Euromarts At a Glance

Dec, 2
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Taken together, the two changes, if implemented on this scale, would 14,848.00 27,412.20 35,278.50 40,461.10 11 11 212/16

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Foreign Banks Get Hint WORLD STOCKS IN REVIEW Of Wider Role in China

Compiled by Our Staff From Dispatches
BEIJING — Foreign banks will
play a greater role in China under a plan to further internationalize the country's financial industry, an official newspaper reported Sunday.

Under the plan, Chinese banks also will be encouraged to open more offices abroad, Business Weekly newspaper reported. So far. Chinese banks have set up more than 500 affiliates around the world.

By November, 225 representative offices of banks from 29 countries had been set up in 14 Chinese cities. In 13 cities, 67 foreign financial institutions have been allowed to open branches, the report said. This month, two more foreign

banks are to open offices in China: TM International Bank of Thailand, in Shantou, and Sakura Bank of Japan, in Shanghai. "Opening our financial markets

will have a positive effect on China's financial industry in terms of belping China pool foreign capital and introduce new management techniques to our own banks," said

Merrill Lynch Opening An Office in Shanghai

The Associated Press BELIING - Merrill Lynch & Co. plans to open a representative office in Shanghai, becoming the first overseas securities company to operate in China, Xinhua said Saturday.

The official news agency did not say when the office would open. Nor did Xinhua say whether Mer-rill would be allowed to operate on equal terms with Chinese securities companies in the domestic market, or whether it would be limited to dealing with foreign investors.

Chen Yuan, vice governor of the People's Bank of China. It would be "all right," Mr. Chen said, for foreign banks to engage in yuan transactions in the long term as long as they paid the higher tax rate Chinese banks are charged. Mr. Chen also said that interest

rates should be allowed to float. (AP. AFP)

Amsterdam Stocks picked up on hopes for a

Europe-wide round of interest rate cuts but gains subsided when only the Dutch central bank acted. The CBS all share index ad-

vanced to 196.9 points from 196.0 points at the end of the previous week. Volume of stock traded was 3 billion guilders, down from 3.3 billion the previous week.

Downward pressure on share prices will make itself felt in the coming weeks as analysts cut their earnings estimates on major stocks, Kempen & Co. said.

Frankfurt

Stocks suffered through a de-pressed week in dull trading, vicimized by poor economic conditions in Germany and abroad,

The DAX spot trend index of 30 leading shares ended on Friday at 1,476.01 points, down 3.22 percent by comparison with the previous Friday. Volume on the eight German stock exchanges totaled a mere 20.62 billion Deutsche marks for the week, against 25.1 billion the previous week.

On Thursday, the DAX dropped through the 1,500-point level for the first time since early November, counted a major improvement in and Bayerische Vereinsbank company earnings that will have to warned the next support level was at around 1,450-1,460 points. start coming through quickly to prevent further falls, analysts said.

Hong Kong

After the previous week's spectacular 12 percent slump, share Kong as the quarrel between China and Britain over the future of the

colony remained unresolved. The Hang Seng Index shed 14.92 points, or 0.28 percent, to close the week at 5,253.18. Average daily volume was sharply down at 2.203 billion Hong Kong dollars, against 4.095 billion the previous week.

London

Stocks fell in London, reflecting the lower pound, losses on Wall Street and in Tokyo, and dampened prospects for interest rate cuts

At the close Friday, the FT-SE case interest rates, which have been index of 100 leading shares was down 43.2 points on the week or 1.5 percent to 2.716.2. Trading was Singapore generally busy, averaging over 600 million shares sold each day.

The market's rally to a record high the previous week has dis-

Milan

Shares held their previous levels in Milan where brokers said the prices continued to fall in Hong market had largely become immune to the persistent weakness of

the lira. The MIB index closed at 834 points, down just 0.11 percent from the previous Friday.

Paris With the franc remaining the tar-

get for currency speculation, inter-est-rate pessimism depressed share values over the week. The CAC 40 index eased 1.3 per-

cent to 1,758.70 points. The European summit in Edinburgh inspired no hope among brokers that the Bank of France would

Singapore

Caution prevailed through most

of the week's trading on the Stock Exchange of Singapore. Value was down 47.5 percent to 504.1 million dollars over the week but the Straits Times industrial index gained 4.87 points to end at 1,447.57.

Tokyo

Share prices recovered from a weak start to close moderately nigher over the week, boosted by buying by public funds and invest-

The Nikkei Stock Average of 255 selected issues in the first section closed Friday at 17,441.02 year, up 145.33 yen or 0.8 percent from the previous week's close. Daily volume averaged 293 million shares. up from the previous week's average of 227 million shares.

Zwrich

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Shares rose sharply, confounding predictions that the electorate's rejection last Sunday of membership of the European Economic Area would cause a slump.

The Swiss Performance Index gained 2.1 percent to close at 1,183.71 points, up 24.92 points.

Nef Ch'9e

U.K. Fund Managers Plan Shopping in U.S.

LONDON — British fund managers are gearing up for a shopping spree in the U.S. stock market, according to a Gallup poll for Smith New Court PLC. for release Monday.

About 16 percent more local fund managers plan to increase purchases of U.S. equities than plan to sell them, up sharply from 3 percent in November. The survey also shows that 35 percent more British fund managers expect the Dow Jones industrial average to rise in the next three months, up from 14 percent in November. But British institutional investors continue to be most bullish about

U.K. equities. Even though some money managers may have sated their appetite for U.K. shares, with only 13 percent more planning to stick more cash into Brinsh stocks, down from 15 percent in November, most believe U.K. share prices are headed higher. About 42 percent more fund managers expect Britain's FT-SE 100

stock index to rise over the next three months, up sharply from 27 percent in November, than expect it to fall. Expectations of a recovery in the U.K. economy are spurring the purchases, economists at Smith New Court said. Most money managers expect base rates to fail to 6.5 percent over the next three months.

Equity purchases will be made at the expense of bonds and cash. About 14 percent more of those surveyed plan to decrease holdings of British government bonds, or gilts, up from 2 percent in November. Moreover, a balance of 38 percent intend to decrease cash levels. lovestors are venturing back into Japanese equities, with a balance

of 1 percent saying they plan to increase their boldings, compared with 3 percent saying in November they plan to decrease them. They're also buying continental European equities. A balance of 7 percent said they intend to buy shares of continental European companies, compared with zero in November.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Dec. 11.

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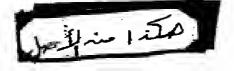
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SPORTS TENNIS

Tomba Fails To Overtake Girardelli

ALTA BADIA, Italy - Marc Girardelli, a four-time World Cup overall champion, withstood a sensational second-run comeback by Alberto Tomba and the unexpected challenge of a Frenchman to win

the giant salom on Sunday.

His first victory of the season, combined with a fourth place in a downhill at Val Gardena on Saturday, lifted Girardelli to first place in the overall standings with 236 points after seven races. The Austrian-born skier of Lux-

embourg clocked the fastest time in the first run, and was second to Tomba in the second heat down the Gran Risa course, to set a winning aggregate time of 2:46.25 minutes.
Alain Feutrier of France, who
resumed skiing in 1989 after battling leukemia, skied his best giant slalom race ever to finish second, 0.5 seconds behind the winner.

Tomba, the Olympic champion, finished third, moving up four places from the first run, It was the fourth consecutive defeat for Tomba in his favorite gate races.

Tomba in his ravorue gate races.

Tomba, cheered by a partisan crowd of 30,000, displayed his characteristic powerful style only in the second run. He beat Girardelli by 0.03 and Feutrier by 0.43 but could oot make up for an over-

cautious first run.
The triumph Sunday boosted
Girardelli's chances of winning an unprecedented fifth overall title. He is tied at four with Pirmin Zurbriggeo of Switzerland and Gustav Thoeni of Italy, who are

both retired. In the overall standings, Girar-delli leads by 39 points Norway's Jan Einar Thorsen. Swiss William Besse, who won one downhill and placed second in another at Val Gardena Friday and Saturday, is third with 180 points. Tomba is

fourth with 176 points.

On Saturday, Leonard Stock of Austria kept Besse from consecutive victories by winning the second downhill of the season by 34-bun-

dredths of a second.

A. J. Kitt of the United States improved eight places from Friday's race on the same track, finishing third. He was only two-bun-dredths of a second behind Besse.

Stock, 34, completed the course in 2 minutes, 1.90 seconds. It was the third World Cup downbill vic-



Marc Girardelli of Luxembourg clearing a gate Sunday en route to his giant slalom victory, which made him the overall standings leader.

Stich Takes the Big Prize

German Defeats Chang to Win \$2 Million

a \$2 million payday on Sunday three Grand Slam Cups. lost the with a straight-set victory over Mi-

The German, who won Wimbledon in 1991 but only one event this year entering the Grand Slam Cup, beat Chang. 6-2, 6-3, 6-2, in 2 hours, 7 minutes, to collect the biggest prize in tennis. Chang won \$1

Although Stich had fallen from No. 3 to No. 15 in the world rankings, he defeated four top-10 players to earn the championship. Be-fore Chaog, Sticb beat Stefan Edberg, Richard Krajicek and Pete

"It was a good finish to the year and I hope it will be a good start for the next," Stich said. "It means more to me to beat four top-10 players and win the tournament

Chang, ranked No. 6 in the

Compiled by Our Staff From Dispatches Saturday to beat Goran Ivanisevic and Stich broke again for a 5-2 MUNICH - Michael Stich in the semifinals. Chang, the only turned a disappointing season into player to have taken part in all chael Chang in the Grand Slam He lost to David Wheaton last

year.
Such became the second Geronship last month.

Stich, the first non-American to

reach the final in three Grand Slam Cups, broke Chang for the second time to take the first set. He again broke the American for B 5-3 lead

and held to go up two sets.
Serving with confidence, Stich took advantage of the fast-carpet surface that suits his serve-and-vol-

ley game.

Chang, who won three tournaments this year, could not match

Such's power at the oet. than the money I got.

"I think Michael was tired from yesterday's match, especially men-

game to tie at 2-2. Chang double-faulted to suffer world, had to play five tough sets another break in the next game

Serving for the match, Stich dou-ble-faulted to face a break point, but came back and converted his first match point with a volley off a good serve.

"Everything worked well," Stich said. "I didn't think that it would be so easy, although I knew that his game usually can't burt me."

Chang said, "I didn't play as well as I did yesterday. He didn't seem to be missing a whole lot, and he

put his whole game together."
The German looked strong from the start against Chang, serving strongly and pulling out some of the best shots from his repertoire from the froot and back of the

He put Chang's serve under pressure as early as the second game and made the crucial first-set break in the sixth game to lead 4-2 when

Chang netted a volley. The tournament invites 16 players with the best records in the four Grand Slam events of the year the Australian, French and U.S.

Opens and Wimbledon.

Maier of Austria Edges Norwegian in Super-G

Compiled by Our Staff From Dispatches VAIL, Colorado - Ulrike Maier of Austria won her second World

Sunday with a victory in a super-giant slalom. Maier, world champion in the discipline in 1991 and 1989, was timed in one minute, 22.61 seconds.
Astrid Loedemel of Norway was second in 1:22.63, and Anita Wachter of Austria was third in

Oo Saturday, Miriam Vogt of team in 1989.

Germany waltzed away with the first downhill of the women's seasea Regina Haeusl was seventh and soo for the only World Cup victory Ulrike Stangassinger ninth.

strong German showing.

Her teammate Katrin Gutensohn was second in 1:42.80 and who won last season's World Cup another German, Katja Seizinger, downhill title.

second behind Kerrin Lee-Gartner of Canada,

Vogt made the most of her glid-Cup skiing race of the season here ing ability on the flatter stretches of the upper course, then hung on through the technical nums near the end to win.

Gutensohn oarrowly missed winning the same race under the colors of two countries. She won at Vail in 1985 as a member of the Austrian team before marrying a German and joining her current team in 1989.

of her six-year career.

Finishing ahead of both a highly charged field and B fast-arriving al collateral ligament in her right snowstorm. Vogt posted a time of the median one minute 42.06 seconds to lead a place.

The knee felt good, it was a

Baseball Antitrust Exemption: License to Steal?

By Dave Anderson

New York Times Service NEW YORK — For 70 years, baseball has protected its antitrust exemption as if it were the steal sign. But more than ever before, Congress has begun to wonder if

maybe it really is the steal sign.

Last week, the antitrust exemption was the subject of a Senate subcommittee hearing. Next month Representative Michael Bilirakis, a Republican from the Tampa, Florida, area, intends to introduce legislation to repeal the exemption granted by the U.S. Supreme Court in 1922.

Exhibitions of Point baseball," Justice Oli-



ver Wendell Holmes wrote then, "are purely state affairs." Baseball long ago outgrew that premise. With television and radio, "exhibitions of baseball" are oow purely interstate commerce. If the National Fontball League, the National Basketball Association and the National Hockey League operate within the antitrust laws, surely the 28 major league baseball clubs could operate within the

Strangely, Congress's only right-hander with a 224-184 career record in the big leagues, Jim Bunning, a Republican from Kentucky, was not invited to appear at the hearing. But if the bill to repeal the antitrust exemption comes to a

"The time has come to disregard the exemption," Bunning said from his office. "Baseball is no longer a sport."

Bunning cited baseball's billion-dollar television income, its 595 million entry fee for an expansion franchise, its multispillion dellar pulsers its multispillion. its multimillion-dollar salaries, its recent decree that Bob Lurie sell the San Fransico Giants to a Bay Area group for \$100 million rather than to a St. Petersburg, Florida,

group for \$115 million.
"It's unfair," Bunning said, "to those cities that have to deal with the 28 owners out to have remedies you normally nave through the Sherman Antitrust Act."

Baseball fears that movement of franchises would be easier without the exemption. As the NFL discovered when its Baltimore and St. Louis franchises were moved without the approval of other club owners to Indianapolis and Phoenix, after Al Davis won an antitrust suit when the NFL objected to his relocating the Raiders from Oakland

Historically, baseball's antitrust exemption developed from a major league franchise problem in the 1915 disso-lution of the short-lived Federal League. The owners of its Baltimore franchise were awarded a \$50,000 settlement instead of an invitation to join either the American League

or the National League. Charles Comiskey, the owner of the Chicago White Sox,

roll-call vote, the onetime ace of the Detroit Tigers and the Philladelphia Phillies will fire his best fastball.

argued that Baltimore was "not a major-league city." Charles Ebbets, the owner of the Brooklyn Dodgers. argued that Baltimore had "too large a colored" population.
Rather than accept the \$50,000, the owners of the
Baltimore franchise filed a federal antitrust complaint
that haseball was a monopoly. They were awarded
\$254,000 in damages in 1919, but the verdict was over-

turned in the appellate court. Lawyers for the Baldmore franchise took the case to the Supreme Court.

10 1922, when William Howard Taft, once the president and once a Yale baseball player, was chief justice, the Supreme Court granted baseball its antitrust exemptioo.

The fact," Holmes wrote, "that in order to give the exhibitions, the League must induce free persons to cross state lines and arrange and pay for their doing so is not enough to change the character of the business. The trans-port is the mere incident, not the essential thing. The exhibi-tions, although made for money, would not be called trade or commerce in the commonly accepted use of those words." In 1972, when the Supreme Court rejected Curt Flood's

old for free agency. Justice Harry Blackmun described the exemption as an "anomaly" and an "aberration,"
"If there is any inconsistency or illogic in all this,"
Blackman wrote in his opinion, "it is an inconsistency and

illogic of long standing that is to be remedied by the

Congress and oot this court."
It's time Congress found a remedy

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week

| 124 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197 | 197

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São Paulo Rallies Past Barcelona

By Steven Brull International Herald Tribune TOKYO - Any doubts that the Japanese are excited enough about soccer to support the professional league that starts here in May dissolved Sunday when São Paulo defeated Barcelona, 2-1, in the world

soccer club championship. Normally obedient. Japanese fans buoyed by São Paulo's aggressive, sometimes reckless tactics. - raced past security men onto the field to help underdog São Paulo celebrate its come-from-behind victory. Never before had fans mobbed the field at the Toyota Cup, which began in 1980 and pits the European champion against the South American champion.

Center-forward Rai, 27, your brother of the Brazilian World Cup star Socrates, scored twice for São Paulo, in the 27th aod 79th minutes, leading the Brazilian attack that began io disarray hut quickly found its pace and threw the more composed and disciplined Barcelona off guard.

Barcelona's Duich coach. Johan Cruyff, said the dry field and strong winds worked against his team.

"We are making no excuses," he more opportunities to score," said said. 'Their rhythm was better São Paulo's coach, Tele Santana, than ours, except for the first 10

At the outset, Barcelona was boss. Hristo Stoitchkov of Bulgaria scored the first goal after 12 minutes, zap-ping a left-foot shot into the far left corner of the goal. Barcelona seemed to have the match sewed up.

But the scrappy São Paulo subsequently shored up its defense while continuing its South Americanstyle wildcat strikes.

"In the second half we gained control of the midfield and created 10 years to start the country's first

For the 61-year-old Santana, who led Brazil's World Cup campaigns in 1982 and 1986, winning the

Toyota Cup was an achievement.

I don't have words to express my happiness," Santana said moments after the victory. "It's an unprecedented title for Brazil and we conquered with men't."

cup the past three years. But the moment was savored as much by Japanese companies who have been preparing for more than

Italian Players Say 'No to Racism'

Compiled by Our Staff From Dispatches ROME - Responding to growing racial intolerance in Italy, all Italian first- and second-division soccer teams took the field on Sunday carrying

beoners bearing the inscription, "No to Racism," in an initiative organized by the Italian Players' Association.

On the field, AC Milan beat Ancona 2-0 to extend its lead in the standings to six points over Internazionale, Fiorentina and Torino.

teams are digging deep into their pockets and thinking long term.

More than 30 Brazilian players

Ruud Gullit, AC Milan's black Dutch star, had called for some action after he was harassed at a game in November. In Germany, where foreigners got eight of the first-division goals scored Saturday, all clubs replaced the name of their sponsors on their shirts with the slogan, "My Friend Is Foreign."

(AP, AFP) draw fat salaries.

professional soccer league with 10 teams. The Toyota Cup is the maio event used to promote soccer in a country where fans are accustomed to more slow-paced sports such as sumo wrestling and haseball.

Although the United States has failed to create much interest io the world's most popular sport, the Japanese appear more likely to succeed. Tickets for the match in the 60,000-seat National Olympic Sta-European teams have won the dium sold out in two weeks.

Soccer, now broadcast regularly on nationwide television, is rapidly gaining in popularity among young people in Japan, mostly at the ex-pense of baseball. Interest grew after Japan won the Asia Cup this year. Borrowing on techniques that made Japan's automobile aod

Mazda Motor Co., Yomiuri and other giant companies sponsoring are in Japan, creating interest and nurturing talent. Big-name stars past their prime, such as Zico of Brazil and Gary Lineker of Britain,



São Panlo's Raî goes flying to head in a pass from Muller for a goal, as Richard Witschge of Barcelona (center) tries in vain to block.

LA Lakers

Seattle LA Cilepers

SCOREBOARD Rebounds—Cleveland 43 [Williams 19), un-iroft 59 [Rodmon 21]. Assists—Cleveland 24 [Ehia 8]. Detroi[26 | Thomas 6). Hoeston 36 30 30 24—119 Chicago 34 20 23 19— 96 Thomas 9-13 1-5 19, Olajuwan 12-19 4-5 28. **NBA Standings** Thorse 9-13 1-5 19, Diajuwan 12-19 4-5 28.

All owell 0-14 2-4 19: Pisson 8-27 6-5 22. Jordan 11-23-3-3 28. Rebounds—Houston 44 (Diajuwan 12-19 4-5 28.

All owell 0-14 2-4 19: Pisson 8-27 6-5 22. Jordan 11-23-3-3 28. Rebounds—Houston 44 (Diajuwan 17) (Diajuwan 52) Jordan 111. Assists—Houston 77 (Diajuwan 52) Jordan 111. Assists—Houston 77 (Diajuwan 52) Jordan 112. Assists—Houston 4-11 5-6 17. Overton 7-16 1-2 15: Peri-tins 12-14 1-1 25. Peri-tins 12-14 2-1 25. Peri-tins 12-1 25. EASTERN CONFERENCE 174 WESTERN CONFERENCE Midwest Division SATUROAY'S RESULTS

Seattle 10 27 25 27—93 Cleveland 24 28 10 27—97 Komp 10-21 2-3 22, Pierce 7-10 2-2 11; Enia 6-Pct 461 447 400 ,389 ,294 ,063 143-616, Price 14-20 e-6 39, Rebounds—Seatile 49 (Kerna 16), Cleveland 50 (Daughorty 12), Assists—Seattle 21 (McMillian 61, Cleveland .778 .461 .647 .632 .611 .421 242 242 2 642 8

Philodelphia 33 23 24 24—162 Allenta 42 27 24— 96 Hawkins 8-21 17-14 31. Dawkins 8-15 1-2 171 Wikins 10-21 9-10 29, Blaylock 10-21 2-2 26. 27 25 20 26—104 20 36 28 23—107

Phoenix 27 25 20 26—104
Orlande 20 36 27 22—107
Barkley 5-167-9 IB, Majerie 8-10 3-522: Sorti
1-17 2-2 17. O'Neol 10-10 6-10 25. Rehounds—
Phoenix 25 (Barkley 11). Orlande 57 (O'Neol
17). Assists—Phoenix 20 (Ainge 91. Orlande 28
ISkiles 12).
Deaver 24 28 25 29 3—197
Attanta 26 29 13 26 13—112
Williams 12-10 3-37. Jackson 1-17 5-5 29:
Wilkirs 14-30 5-12 30. Willis 12-20 9-2 25. Rehounds—Denver 48 I Mutamba 14). Aliente 66
IWillis 22). Assists—Denver 32 (Jackson ID).
Allente 34 | Mays 11 1.
LA Clippers 32 36 27 39—127
Philadelphia 31 37 27 29—110
Monning 12-23 5-6 29. M. Jackson 13-21 0-24.
Norman 9-15 2-4 20. Howking 9-17 7-10 27. Hornock 13-23 9-9 36. Rebounds—Los Angeles 37
INGran 13). Philadelphia 67 (Shackleford 9). Assists—Los Angeles 38 | M. Jackson 10).
Philadelphia 33 (Dawkins, Anderson 9).
Ulcevelonat 21 35 23 24—197
Nonce 6-12 6-6 18. Daugherty 101 4-5 25.
Durnars 10-22 6-6 28. Themas 5-15 11-14 21.

BLONDIE

Mew Jersey 25 23 22 17—89
Chicopo 24 26 20 25—85
Marris 9-20 2-2 20, Petrovic 11-20 1-1 25; Pippen 6-10 3-6 15, Jordan 13-26 9-12 36, Rebounds—New Jersey 61 | Bowle 177, Chicopo 50 (Grant 11). Assists—New Jersey 20 | Petrovic, Anderson 61, Chicopo 27 (Pippen 71, Mitwenkee 22 20 29—82 Ulph 23 22 23 37—80
Edwards 6-14 2-2 16, Birickowski 9-44 3-3 19; K.Malone 10-15 7-14 27, Krystkowfak 6-8 4-4 14, Rebounds—Milwaukee 49 | Schoves 91, Utoh 5 11K.Malone 141, Assists—Milwaukee 13 | IAven1, Murdock 31, Utoh 29 (Stockion 91, Goldan State 37 36 24 31—120 Multin 12-23 4-5 21, Hardowov 11-19 6-8 21, Sprewell 0-171-110; Stormons B-08-9-24, Richmond 10-19 7-1 27, Rebounds—Goldon State 43 | Hill 10), Sacramente 57 1Couswell 0), Assists—Golden State 23 | Hordoway 131, Socramento 20 (Webb 7).

Major College Scores

Cossici Carolino di Boston College Coppin St. 79, Towson St. 74 Drevel 77, St. Francis, Pa. 66, OT Duka 88, Rutgers 79 Georgetown 87, Md.-E. Shore 54 Harvard 94, Lehigh 90 long 77, Forthom 58 Loyola, Md. 54, Mount St., Mary's, Md. 52 Maine 63, Fairfield 58 Maine 33, Foirfield 58
Marylond 92, La Salla 76
Md-Battimore County 96, 51, Mary's, Md, 68
Northeastern 47, Monthouth, N.J. 46
Pem St. 75, James Madison 14, OT
Pittsburgh 82, West Virginia 78
Siena 14, Hartford 70
Syrocuse 104, Texas-Son Antonio 78
SOUTH
Alabama 86, Southern Miss. 76
Alabama 57, 121, Troy St. 116
Centenory 94, E. Taxos Baotlat 64
Clemson 88, N.C.-Greensborn 62

Clembon 88, N.C.-Greensbore 62 Coll. of Charleston 64, N.C. Wesleyan 42 East Corollno 109, Tennessee Tech 94 Fla. International 72, Foirleigh Otckinson 60 George Meson 95. Radford 75
George Tech 102. Georged St. 77
George Tech 102. Georged St. 77
Gramblina 51, 104. Jorvis Christian 63
Jacksonville 84. Betturne-Cookman 63
Kentucky 88. Louisville 68
Liberty 111. Averett 53
Mercer 96. Fort Verley 51. 64
N. Carelina A&T 97, Virginia St. 87
Old Deminion 81, Va. Commonwealth 65
Samford 101. Laryota, NO 47 South Carelina 99,
N.C.-Asheville 52
South Florida 92. Cent. Florida 61
Tulane 91, NW Louistene 01
Union, Ky. 72. Moretead St. 64
Vanderbill 95. Southern Meth. 06
Virginia 100. Howard U. 64
MtDWEST
Akran 82. Youngstown 81. 66

MIDWEST
Akron 82. Youngstown 81. 66
Alasko-Fairbanks 64. Toleda 55
Doykon 78. Louislana Tech 62
DoFaul 91. Son Francisco 61
Detroit Mercy 79. W. Illionis 76
Dorke 86. Cai S.:-Fulferton 73
Evansyllie 86. Illinois 31. 67
Iawa 78, Jowa St. 51

Karsas St. 86. Sam Houston St. S3
Kent 73, Duquesne 71
Manhattan 61. Bradley 54
Mirmesofa 83. Middle Tenn. 65
Nebraska 71. Wichita St. 64
Ohia St. 80. Bowling Green 54
Purdue 84. Lavala. 111. 79
S. Illinois 91, N. Illinois 62
SW Missouri St. 63. Oregon St. 48
St. Louis 101. Margan 51. 76
Valporaiso 78. Ball 51. 75
Wis-Green Bay 76. Buller 64
Wis-Ahliwaukoe 77. Wisconsin 72

Wis-Milwaukee 77, Wisconsin 77 Xavier, Ohio 78, Miamil Ohio 67 SOUTHWEST Houston 92, IIL-Chicago 66 Oklahoma 93, Massach Oklahoma St. 72, Baylor 75

Oklohoma St. 72, Baylor 75
SW Treas St. 87, Taxos Weslayan 60
South Alabama 64. North Texas 77
Texas Tech 72, Colorada St. 62
Texas-Ep Pasa 96. Abliene Ciristion 64
Tuksa 184, Oral Roberts 81
Arizona 78, Utoh 64
Bolse St. 70, Wyomins 50
Lona Beoch St. 72, Southern Cai Coll, 62
Montland 74, Portland 64
Montland St. 64, San Jase St. 57
Nevada 74, Fresha St. 64
New Mexica 69, New Mexica St. 62
Oreson 80, Idahe 61 New Mexico 69, New Mexico St. 6 Oregon 30, Idaho 61 St. Mary's. Col., 65. Villanova 44 Stonford 66, Secrepaento 51, 33 UCLA 96, Son Oleso 31, 77 Wostlington 51, 63. E. Washington Wostlington 51, 63. E. Washington Weber 51, 85. Utoh 51, 68

SKING **World Cup Results**

Accola. Switzerland, 1:2271 5. Fredrik Nybers, Sweden, 1:2294.

4. Michael Von Gruenigen, Switzerland, 1:2323; 9. Hors Veltzer, Swetzerland, 1:2323; 9. Hors Veltzerland, 1:2341; 10. Ote Christian Chapter Vancouver

Furusett, Norway, 1:23AS, Glant Slaten Standings (effer Iworoces): 1, Tombo, 140 points: 2, Kietil Andre Admott. Glant Sinton Standings (effer Iworoces): 1, Tombo. 140 points; 2, Kietil Andre Aamodi, Norway, 120; 3, Girordelii, 112; 4, (tio) Wollings, 86; Accola 86.
6, Feutrier, 80; 7, Locher, 85; 8, Nybers, 82; 9, Tobios Barnerssol, Germany-58; 18, itie) Von Gruenten. 56; Pieren, 56.
DOWNHILL
Results Schardoy from Val Gardena, Italy; 1, Leonard Stock, Austrio, 2:01, 20 minutes; 2, William Besse, Switzerland, 2:02,24; 3, A., Kitt, United States, 6:02,26; 4, Marc Girordelli, Lucembourg, 3:02,30; 5, Michael Lichteneger, Austria, 2:02,40.
Overall World Cup Standings (after seven

ier, Austria, 2:02,40, Overall World Cup Standings (after seven roces): 1, Girardelli, 226 anints; 2, Jan Einar Thorsen, Norway, 197: 3, Besso, 180: 4, Tamba.

176: S. Stock, 150: 6. Franz Heinzer, Switzer-

WOMEN WOMEN
DOWNHILL,
Resetts Schurdey from Voil, Colorado; 1,
Miriom Voyl, Garmany, 1 min 42.06 secs; 2,
Katrin Gutenschn, Germany, 1: 42.90; 3, Kerrin Lee-Gartner, Canada, 1: 42.97; 4, Kaffa Selzinger, Germany, 1: 42.94; 5, Aniq Haas, Ausirto, 1: 43.19.

Irto, 1:43.19.

Overett Werld Cup Stondings lefter five events: 1. Pernille Wiberp, Sweden, 281 points; 2. Antia Wachter, Austria, 205; 3. Vest. 155; 4. Annelise Coberger, New Zeulond, 146; 5. Utriko Moler, Austria, 136.

5. Julie Paristen, United Stofes, 134; 7, Vreni Schneider, Switzerland, 110; 6, Petra Kronberger, Austria, 106; 9, National Bokot, Slovenia, 97; 10, Carole Merie, France, 93.

HOCKEY

NHL Standings Pittsburgh Washington NY Rangers New Jersey

| Detroit | 14 | 15 | 1 | 33 | 137 | 124 | 125 | 137 | 147 | 138 | 147 | 138 | 147 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 |

Graves III), 5.King 12); Kontos IZI), Bureau I3), Creighton (8) 2.Shots an gool—New York (an Bergeton) 8-13-10—31. Tampa Boy (an Vanblesbrouck) 11-17-13—(1.

Senticio 4 6 3—9
Sonderson 1131. Verbeek 110) 27 Sweeney
110). Khmylev (3), Lo Pontoine (2212. May (9),
Moyliny (22) 2 Wood (7), Andreychuk (23).
Shots as goal—Harriord (an Puppal 4-5-5-14.
Buffole (an Burke, D'Alessio) 1617-13-46.
Winnipeg 2 6 2—4
Washisston 5 8 3—4

Winnipeg 2 0 2-6
Washington 5 0 3-6
Selonne (22) 3, Housley (7), Romaniuk (2),
Davydov (15); Idrirde (9), Elynulk (7), KirlsHoh (5) 2, Pivanko (3) 2, Jones (3), Miller (8),
Shafs on poel—Winnipeg Ion Hirtvook 9-6
-21, Washington Ion Essenso, Toboroccil
14-9-32, Calency

SATURDAY'S RESULTS

Pivonka (4), Elyneik (8), Bondra (17), Car-penter (5), Holcher (18) / Brind'Amour (18) 2. Shats an good—Washington (on Becuregord) 7-33.
Now Jersey 2 1 1-3
Pittsburgh 2 1 3-4
Guscin (3), C.Lemieux (13), Stoamy (7) 2,
Holik (11): K.Sievens (22) 3, Loney (2) 2,
M.Lemieux (33), Shots on gout-New Jersey
Ion Bornossoj 8-9-9-26, Pittsbursh (on Terrert) 17-11-14-42.
Buttole 8 8 1 3-1

Dohl (2). Nieuwendyk (11), Sufer (6), Re-chel (7), Fleury (14) 2; Mironov (6), McLiwain (4), Osbarne (3), Shahs ac gooi-—Calgary (an Wamshey) 6-8-11—25, Toronie (an Vernont 14-14-7—38

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Hull 11s), Butcher (3), Shonahan 114; McSortev (0), Millen (10), Conacher (4), Zhitnik (4). Donoelly 114) 2. Shots on gool—St. Louis (on Stouber) 11-21-15—47. Los Angeles

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Cuebec 4 2 7 1—8
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18-10-82—38. San Jose (an Harkall), 5-13-19.

SOCGER

DUTCN FIRST DIVISION
FC Volendom 5, Willem II Tilburg I
Dordrocht 0, FC Uhrecht 2
Standings: PSV Eindhaven 24, FC Uhrecht
20,MVV Monstricht 20, Fervenoord Rotterdom
19, FC Twente Enschede 19, Alox Amsderdom
18, Vilesse Arnhem 17, Willem II Tilburg 15,
Sporta Rotterdom 13, FC Volendom 13, FC
Groningen 13, Rodo JC Kerkrade 12, RKC
Woolwick 12, Go Aheod Ecoles Deventer 12,
Camburg Leeuwarden 9, Fortung Sittard 8,
Dordrocht 7, FC Den Bosch 1.

Cambuur Leeuwarden 9, Fortuna Sittard 8.
Dordrecht 7, FC Den Bosch 1,
ENBLISH PREMIER LEAGUE
Chelsea 0, Middlesbrough, 0
Aston Villa 2, Nottinsham Forest 1
Ipawich 3, Monchester City)
Leads 3, Sheffield Wednesday 1
Monchester Linited 1, Norwich 0
Queens Park Rangers 1, Crystal Palace 3
Sheffield United 1, Everton 0
Southampton 2, Coventry 2, 11a
Tottenham 1, Arsenal 0
Vimibledon 5, Odhom 2
Standings: Norwich 39, Aston Villa 34, Man-

Standings: Norwich 39, Aston Villa 34, Man-Standargs; Norvich Jr., Aston Villid 34, Mort-chester Unifed 33, Chelsea 32, Blackburn 37, Inswiich 29, Queens Park Romeys 29, Arvenol 29, Coventry 24, Liverpool 25, Monchester City 25, Middleshiroush 25, Tortenham 25, Leeds 24, Southampton 23, Sheffield Unifed 21, Sheffield Wednesday 28, Everton 19, Winabedon 18, Ochum 18, Crystal Poloce 18, Nottingham Forest 14.

FRENCH FIRST OIVISION

Werder Bremen 1, VfB Stuffgorf 1, lie Standfags: Bovern Aunich 2, Elehracht Frankfurf 24, Werder Bremen 21, Borussia Dortmund 21, Korfsruhe SC 21, Bover Leverkusen 20, VfB Stuffsporf 19, FC Kallesr slowern 18, FC Nuremberg 17, Dyname Dresden 16, Scholke 16, Homburger SV 15, FC Soarbruccken 14, FC Cologne 13, Borussia Moench 13, Watersacheld 12, Bayer Uerdingen 11, VfL Bochum 8.

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Moench.13. Wottenschel gen 11. VIL, Bochum 0, (TALIAN FIRST CIVISION

(TALIAN FIRST DIVISION
Aleiente of Bergeme 1, Bresche 1
Fogole 2, Juvernus of Turin 1
Gence 2, Nozoil I
Lazie of Rome 3, Internazionale of Milan I
AC Milan 7, Ancona 0
Parma 1, Florentina 1
Pescara 2, Sampatoria of Gence 3
Torino 0, AS Romo 0
Udinese 2, Cooliar I
Standinese AC Milan 21, Florentina 15, Torino 15, Internazionaln 15, Juvernus 14, Lazie 14,
Sampatoria 14, Capillari 14, Atolanie 14, Parmo
13, Gence 13, Romo 12, Udinese 12, Bresche 17,
Fogola 12, Napoli 8, Ancona 0, Pescara 4,
SPANISH FIRST O(VIS)ON
Reol Saciedad 1, Saville 8

Real Sociedad 1, Seville 8 Standings: Barcelona 21, Departivo L.a Co-runa 19, Affelica de Madrid 19, Real Modrid 16, Athletic de Blittoo 16, Sevilla 16, Valencia 15, Sportino de Gilon 15, Raya Vallecono 14, Zara-Sportino de Gilon 15. Rayo Vallecono soza 13. Osasona 12. Tenerifa 12. Esc Catta 12. Real Sociedad 10. Oviedo 9. F & Codiz & Burgos & Logranes 5.

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FINAL ONE-DAY (NTERNATIONAL New Zealand vs. Srf Lanka Sunday, (a Colomba Srf Lanka's lanings: 262-6 149 overs) New Zealand's Innings: 231 (all out,

overs) . Result: Sri Lanka won by 31 runs WORLD SERIES CUP (Limited-overs match) Australia vs. Pokistan Pakiston's Inpines: 1956 | 47 evers)
FOURTH ONE-DAY INTERNATIONAL

(Limited overs match) South Africa vs. India India's lonkops: 161-9 150 avers

TRANSACTIONS

BASEBALL BASEBALL
Notional League
PHILADELPHIA—Agreed to une-year
contract with David West, pitcher.
PITTSBURGH—Agreed to one-year contract with Alexandra Pena, pitcher.
SAN DIEGO—Traded Poul Farles, infielder, to San Francisco for Jim Pena, officher.
BASKETBALL.
Notional Basketball Association
HOUSTON—Activated Tree Rollins, conter, from injured list, Puf Kennard Wincheser, govan, on injured Ital.

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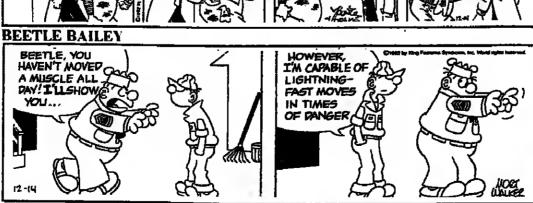
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WHERE WE 60 FROM HERE IS BACK TO MY DESK ..

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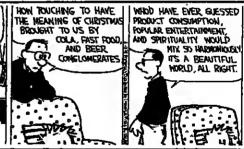
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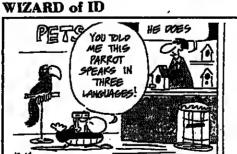








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FOOTBALL

Tar Heels Defeat Houston

Williams's Return Spurs N. Carolina

Donald Williams returned to ac-

tion and scored 21 points Sunday as the fifth-ranked North Carolina struggled to an 84-76 victory over ston in Chapel Hill, North Carolina.

Williams sat out North Carolina's previous game with bruised

COLLEGE BASKETBALL

ribs suffered a week ago against Texas. He came into the lineup late in the first balf against the Congars and scored 10 points in the closing

Williams added two 3-point baskets during a 26-7 run that helped the unbeaten Tar Heels (5-0) take a 66-43 lead with 11:51 remaining.

A 13-0 run covering five minutes, built mainly on free throws, drew Houston (2-1) within 70-62 following a 3-pointer by Tyrone Evans with 6:04 left. But Houston didn't get any closer.

No. 1 Duke 88, Rutgers 79: On Saturday, in East Rutherford, New Jersey, Bobby Hurley had 16 points and 11 assists and keyed a decisive 19-6 run with a 3-point basket and assists on two Grant Hill dunks as Duke (4-0) downed Rutgers (2-3).

No. 2 Kansas 108, Missouri-Kansas City 62: In Kansas City, Missouri, Eric Pauley scored 15 points as Kansas (5-0) breezed to the championship of the Golden Harvest Classic, in their first meeting

with Missouri-Kansas City (2-3). No. 3 Kentucky 88, No. 9 Louisrille 68: In Louisville, Jamai Mashburn scored six of his 27 points during a 17-1 run in the second half. Kentucky (4-0) recorded its third straight victory in the intrastate ri-valry with Louisville (1-2).

No. 4 Indiana 97, W. Michigan 58: In Bloomington, Indiana, Calbert Cheaney scored 22 points, including the 2,000th of his career, as Indiana (7-1) crushed Western Michigan (1-3) to win the 19th an-

No. 8 Iowa 78, Iowa State 51: In lowa City, Val Barnes scored 19 points and Acie Earl added 15 as lowa (5-0) kept Iowa State (4-2) scoreless for nearly eight minutes

in the first half. No. 11 Georgetown 87, Mary-land-Eastern Sbore 54: In Washngton. Othella Harrington scored 7 points in a 12-point Georgetown (4-0) rum at the close of the first half. The Hawks fell to 2-4.

No. 11 Oklahoma 93, No. 23 Massachusetts 83: In Norman, Okiahoma, the Sooners, 5-0 and ned with Georgetown at No. 11, got 25 points from Jeff Webster and used a 17-1 run late in the game for the victory over the Minutemen (2-2). No. 13 UCLA 90, San Diego 63: In Los Angeles, Shon Tarver scored 21 points and Kevin Dempsey add-

ed 14 to lead UCLA (5-1). The other three UCLA starters also scored in double figures. No. 14 Arizona 78, Utah 64: In Tucson, Arizona, Khalid Reeves hit back-to-back 3-pointers during

a 14-2 second-half run, the second of which gave Arizona (2-1) the lead over Utah (4-1) for good at 51-

50 with 10:05 to go.
No. 15 Syracuse 104, Texas-San
Antonio 78: In Syracuse, New
York, Mike Hopkins and John Wallace scored 18 points each, and the Orangemen (5-0) used a full-court press to force the Roadrunners (1-2) into 19 first-half turnovers.

No. 17 Georgia Tech 102, Geor-gia St. 79: In Atlanta, James Forrest ignited a 24-4 game-opening run to lead Georgia Tech (2-1) to victory over its crosstown rival Georgia State (2-1).

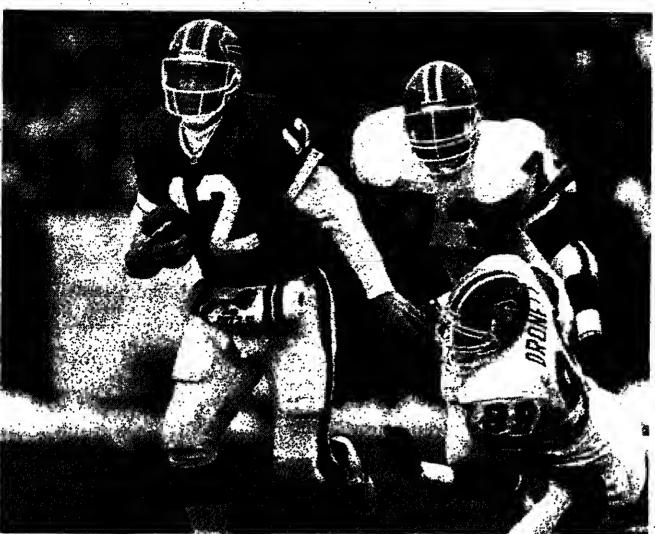
No. 18 Purdue 84, Loyola 70: In West Lafayette, Indiana, Glenn Robinson scored 21 points and the Boilermakers (4-0) broke the game open in the first five minutes of the second half by outscoring Loyola (1-3), 16-3.

No. 19 Cincinnati 91, Georgia Southern 57: In Cincinnati, Curtis Bostic scored 16 points and led an opening 15-5 flurry that started Cin-cinnati (3-0) on its way to victory

No. 20 Tulane 91, NW Louisiana defeating Seattle. 81: In New Orleans, Anthony Reed scored 23 points and Tulane (5-1)

Consecutive 3-pointers by Price and Craig Ehlo extended the Cavashook off a cold streak and the liers' 87-86 lead to 93-86 with 38 persistent Northwestern (2-1) de-fense to preserve the victory.

seconds to go. The Sonics then were forced to foul, and Price made fense to preserve the victory.



Bills quarterback Jim Kelly (12) erading Bronco defensemen Shane Dronett (99) and Simon Fletcher as he headed for a touchdown.

Hearst of Georgia, who finished third.

Reggie Brooks of Notre Dame,

reason I'm here."

Al, died in 1988.

best," he mother said.

Marvin Jones, a linebacker from Florida State, finished fourth, ahead of running back

retta said. "I want to thank my teammates,

especially the defense, because they're the

His mother, Connie, attended the ceremo-

"I always told him if he'd put his best foot

forward, he'd be the best, and today he is the

Torretta became the second Miami player

to win the Heisman, which honors college football's best player, joining Vinny Testa-verde, who won in 1986. Torretta is the first

senior to win since Tim Brown of Notre

ny, along with his three brothers. His father,

"This is truly a prestigious honor," Tor-

49ers Prevail, 20-17, **Over Slumping Vikings**

no irreplaceable parts. Amp Lee, filling in for the injured Ricky Watters, rushed for 134 yards recoveries and a pass interception and a touchdown and also caught a to take a 13-3 halftime lead.

scoring pass Sunday as the 49ers bear the slumping Minnesota Vilim Harbaugh hit Neal Anderson longs, 20-17, in Minnespolis.

The Vikings (9-5) moved into

NFL ROUNDUP field-goal range late in the game, but Tim Harris twice sacked Rich gannon, forcing Minnesota to put the Bears ahead by 17 points.

As the final period opened. (12-2) then ran out the clock, with

Steve Young completed 20 of 26 passes for 183 yards, helping the 49ers move within one victory of clinching the National Football Conference West.

Minnesota, which lost two in a row for the first time this season, has dropped three of its last five games. The Vikings still needed one

victory or a Green Bay loss to win the NFC Central. Watters rushed for 985 yards and nine touchdowns and caught 42 passes for 395 yards and two scores efore burting his shoulder on Nov. 29. But, like Joe Montana and John Taylor before him, be was replace-able in San Francisco's consistently

uperb offensive system. Bears 30, Steelers 6: In Chicago, the Bears' defense, inspired by Mike Singletary's last home game,

Since Torretta became the full-time starter

The 6-foot-3, 205-pound (190-centimeter, 93-kilogram) Torretta is Miami's career lead-

er in completions (555), attempts (991), pass-

ing yards (7,690) and total offense (7,772).

but the most important thing is winning."

Compiled by Our Stuff From Dispatcher forced three turnovers and virtually The San Francisco 49ers continued to prove Sunday that they have Barry Foster, as Chicago ended a

six-game losing streak. Chicago (5-9) used two fumble

NFL ROUNDUP

As the final period opened. Shaun Gayle picked off a Bubby Brister pass and returned the ball 30 yards to the Pittsburgh 14. Chicago settled for a 38-yard field goal by Kevin Butler, his third 3-pointer

Lions 24, Browns 14: In Pontiac, Michigan, Andre Ware passed for 138 yards and two touchdowns and ran for 68 yards as Detroit dashed Cleveland's hopes for an American Football Conference wild-card

playoff spot. Ware had a 13-yard touchdown pass to Brett Perriman and a 19yarder to Reggie Barrett. Barry Sanders, who carried 30 times for 87 yards, had a 14-yard touchdown run and Jason Hanson kicked a 46yard field goal for the Lions (4-10). Ware was making his first start

since the ninth game of the 1990 season against Minnesota. Chiefs 27, Patriots 20: In Kansas City, Missouri, Dave Krieg threw a 43-yard touchdown pass to Willie Davis early in the fourth quarter to top a Kansas City rally. The game was played in a heavy rain that helped create eight unnovers including seven fumbles — four by the Chiefs. combined total of Faulk and Garrison Desmond Howard, Ty Detmer, Andre Ware verde, Steve Walsh, Craig Erickson, Bernie

Christian Okoye fumbled the in 1991, Miami has gone 23-0. He was 3-1 as ball away on the first play of the a redshirt freshman in 1989, when he filled in game and Tim Goad ran it back 19 yards for a touchdown that gave "Gino is smart, he makes few mistakes the Patriots the lead 18 seconds

and be probably operates the offense better than anyone I've ever had," said Coach Den-nis Eri. kson. into the game. New England built a 13-3 advantage before the Chiefs began their comeback which boosted Kansas

The Patriots fell to 2-12. Krieg completed 10 of 21 passes for 196

He needs only two touchdown passes against Alabama to become the Harricanes' all-time Colts 10. Jets 6: In East Rutherford, New Jersey, Jack Trudeau came off the bench late in the "We have a great quarterback tradition here, and I've been proud to carry it on," said fourth quarter and threw the game's only touchdown, keeping the Colts' faint playoff hopes alive. Torretta, who comes from a town near San Francisco. "Setting all these records is nice, Trudeau, who started the last

jured, replaced George late and guided the Colts 71 yards in five plays, including a 41-yarder to Kerry Cash on third down.

The game-winner was a 23-yarder to Charles Arbuckle with 2:29 remaining. Arbuckle replaced Cash on the play after Cash had seven receptions for 104 yards.

The third straight victory overall for Indianapolis and its 10th in the last 12 meetings with the Jets (4-10) lifted the Colts to 7-7 after going 1-15 last year. They bave an outside shot at an AFC wild-card playoff

Falcons 35, Buccaneers 7: In Tampa, Florida, Wade Wilson, given a chance to rejuvinate his 12year career, threw five touchdown passes - two of them to Michael

Andre Rison. Mike Pritchard and Deion Sanders caught the other touchdown passes from Wilson as the Falcons won on the road for the first time this year. It took Atlanta seven road games to win one and the Falcons became the last team in the NFL to post a victory

away from home this season. Wilson completed 19 of 26 passes for 324 yards. Having spent his previous 11 years with the Vikings, Wilson was picked up this year by the Falcons and replaced Billy Joe Tolliver in the starting

lineup this week. Cardinals 19, Giants 0: On Saturday in Tempe. Arizona, the Cardinals ended a pair of long nonshutout streaks and four years of

futility against the Giants. The Cardinals (4-10) snapped a four-game losing streak and an eight-game skid in the series. The Giants (5-9) have lost five straight.

The Giants, who beat Phoenix 31-21 on Oct. 11 with a healthy Jeff Hostetler at the controls, had to go with rookie quarterbacks Kent Graham and Dave Brown.

Bills 27, Broncos 17: A reverse flea-flicker, which ended with Jim Kelly throwing a 64-yard touch-down pass to Don Beebe, snapped the Bills' five-quarter offensive drought against Denver and provided Buffalo with the momentum to win in Orchard Park, New York. The trick play revived the Bills' offense, which wasn't able to score on Denver's defense in last season's 10-7 victory in the AFC Championship or in the first quarter on Saturday. (AP, UPI)

Suns Edge Past the Heat, 122-118

place votes, of 779 ballots, exceeded the Dame in 1987. The four previous winners-

The Associated Press

New York to claim his award.

Charles Barkley scored 39 points, but almost cost Phoenix the game in the closing seconds before the Suns won their seventh straight, 122-118 over the Miami Heat.

By Malcolm Moran

New York Times Service

NEW YORK — He qualified as a Heisman Tropby candidate by throwing the football. But in the final hours before his senior season definitely became a Heisman season, Gino Torretta of the University of Miami

Torretta became the winner of the 58th

Heisman Memorial Tropby Award on Satur-

day, but not before a storm throughout the Northeast forced a change in his itinerary. He began the trip in Louisville, Kentucky,

where be accepted the Johnny Umtas Award on Friday. He flew to Cleveland, then to Newark, New Jersey, and then went by lim-ousine to the Downtown Athletic Club in

He received 1,400 points, 320 more than

San Diego State's sophomore running back, .

Marshall Faulk. Torretta's total of 310 first-

was forced to do a bule scrambling.

The Suns led, 120-117, Saturday night in Miami, when Barkley threw away an inbounds pass and

NBA HIGHLIGHTS

then fouled Grant Long, who made the first of two from the line to pull the Heat within two with 16 seconds left in the game. Long missed the second shot, but on the re-bound, the Suns' Tom Chambers fouled Willie Burton, who went to the line with the chance to tie the

Burton missed both free throws, bowever, and Danny Ainge, who scored 23 points for Phoenix, was fouled and hit two from the line for the final margin.

The loss was the seventh in eight games for the Heat, who were led by Rony Seikaly with 25 points, including 19 in the second half. Bimbo Coles added 23 points and Glen Rice 22 for Miami.

Knicks 95, Pistons 88: In New York, Patrick Ewing and Charles Smith each scored 21 points, and New York overcame poor shooting with a fourth-quarter rally against Detroit, snapping the Pistons' five-game winning streak.

The Knicks, who trailed by 16 in the first half, took the lead for the first time - and for good - with 7:41 left in the game on John Starks's 3-pointer. That capped a 14-4 burst to open the fourth period and wiped out a 72-63 deficit.

Cavaliers 97, SuperSouics 93: In Richfield, Ohio, Mark Price scored seven of his career-high 39 points in over Georgia Southern (3-1) in the the final 71 seconds as Cleveland final of the Delta Bearcat Classic. ended a four-game losing streak by

four free throws in the last 11 sec-

In Minneapolis, Hakeem Olajuwon scored 25 points and Scott Brooks uary 1986. came back to haunt his former Minnesota teammates as Houston won its fourth consecutive game. Chuck Person scored 13 of his 28

monitor in the third period, helping
Minnesota pull to 74-68.

Buils 95, Nets 89: In Chicago,
Michael Jordan scored 38 points

won for the sixth time in seven games, routing Milwaukee.

Frank Brickowski had 19 points and Blue Edwards 18 for the Bucks,

and Chicago snapped New Jersey's four-game road winning streak.

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The loss was only the second in nds. nine games for the Nets, now 6-4 Rockets 104, Timberwolves 87: on the road. New Jersey has not won at Chicago Stadium since Jan-

Scrambling This Time, Torretta Wins the Heisman

and Barry Sanders - were juniors.

Bowl at New Orleans on Jan. 1.

Torretta's comfortable margin of victory

came as a result of a career record of 26-1 as

the starting quarterback of the University of

meet No. 2 Alabama (11-0) in the Sugar

Torretta will have an opportunity to join Davey O'Brien of Texas Christian and Tony

Dorsett of Pitt as the only Heisman winners to play for an undefeated, untied national

The Hurricane quarterback completed 228

of 402 passes this season for 3,060 yards. He

threw 19 touchdown passes with just 7 inter-

Torretta has won more games than any of

Miami's great quarterbacks, including Testa-

O'Brien did it in 1938; Dorsett in 1976.

ionship team that won a bowl game.

Miami Hurricanes, currently the No. 1- for the injured Erickson, ranked team. The Hurricanes (11-0) will "Gino is smart, he m

Jazz 108, Bucks 82: In Salt Lake City, Utah, Karl Malone had 27 points and 14 rebounds as Utah won for the sixth time in seven

who have lost six straight games following a 10-3 start to the season.

The \$3 Million Title Bout: **Bowe Declines the Offer**

LONDON - Lennox Lewis of Britain will not be the first

million and instead has signed a two-fight deal with the U.S.cable television channel Home Box Office, which rules out Britain's leading contender.

"We are fed up with chasing someone who doesn't want to fight us and is degrading the title," said Lewis's manager, Frank Maloney. "Everybody knows Bowe signed an agreement to meet Lennox," he added, "but the world is big place and he can't go on running forever. The way Bowe's going, one day he'll end up losing the title

The World Boxing Council is now certain to make Lewis its champion early in January and look to a first defense, possibly against Alex Stewart in March.

challenger to the world heavyweight boxing champion Riddick Bowe, his managers conceded on Sunday.

The American has rejected Lewis's offer to fight for just over \$3

■ Benn Retains Super-Middleweight Title Nigel Benn retained his WBC super-middleweight title on Saturday when the referee stopped his bout with Nicky Piper in the 11th round, Reuters reported from London.

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SIDELINES

Marvin Jones Wins Butkus Award

Kosar and Jim Kelly.

ader in that category.

ORLANDO, Florida (AP) - Marvin Jones of Florida State added to his collection of postseason honors when he won the Butkus Award as college football's top linebacker.

Jones, who has 28 career tackles for losses for the Seminoles and ranks seventh on Florida State's all-time tackles (369) list, is a consensus All-American and winner of the Lombardi Award for the nation's premier lineman. Earlier Saturday, he finished fourth in the balloting for the Heisman Trophy — presented to college football's top player.

Micheal Barrow of Miami and David Hoffmann of Washington were

the other Burkus finalists. Jones received 80 points and 12 of 20 possible first-place votes. Barrow was second with 64 points and six first-place votes, and Hoffmann garnered 36 votes and was first on two ballots. The award was presented by the Downtown Athletic Club of Orlando. Voting was conducted by a panel of 20 reporters and football coaches and scouts.

Jockey Recuperating After Accident LOS ANGELES (AP) — Kent Desormeaux, who suffered several

hairline skull fractures when be was kicked by a horse in a fall at Hollywood Park, says he expects to be back in the saddle in less than a month. Desormeaux, the leading money winner in the United States this year, said Saturday night that he expected to bounce back quickly from the spill, which occurred during Friday's second race. The jockey had four hairline fractures of the skull.

"I've got hemorrhaging and a bunch of fluid and cuts and bruises on my face," he told the Daily News of Los Angeles from his bospital bed.

Winfield Won't Return to Blue Jays

TORONTO (AP) - Dave Winfield has confirmed baseball's worstkept secret: He is not returning to the Toronto Blue Jays.

"It would be nice if I had some good news for you or the City of Toronto or myself or whatever," Winfield said Saturday. "Basically I'm just here to tell you I won't be a Toronto Blue Jay next year."

Winfield's job disappeared when the Blue Jays signed Paul Molitor cartier in the week. And so Winfield, a guiding force in Toronto's first World Series championship a mere two months ago, finds himself in the same position as he did last year. He went job-hunting after leaving the California Angels and ended up in Toronto a week before Christmas.

Ouotable

 Marty Schottenheimer, Kansas City Chiefs' coach, after being criticized for an unimaginative offense: "Play calling is overrated. If your people know what to do and they do it fundamentally sound, you're going to win. That's what coaching is all about."

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Hitler Diaries as Comedy? It's 'Schtonk'

By John Rockwell New York Times Service

M UNICH — Last year, the Germans incurred a good deal of international disgruntlement by relusing to offer Agnieszka Holland's "Europa, Europa" as a contender for the best foreign-film Oscar.

The ostensible reason was that Holland was Polish-French and the film's financing was out German, despite the film's German actors and crew and its use of the

German language.
The movie, about a Jewish teeoager who disguises his identity during World War II, was called "an embarrassment" by the head of the German Export Film Union. A wide range of progressive German filmmakers and actors protested their country's decision.

Now that Germany is widely in the news because of neo-Nazi attacks on foreigners, the Germans have nominated (for both the Oscars and the Golden Globe Awards) a film about neo-Nazis and the

forgery of the Hitler diaries.
Entitled "Schtonk," the movie is a comedy, oo less. One might well think that the Germans have shot themselves in the foot once again, national imagewise.

But the story is more complicated than that, and "Schtonk" — which will be shown at the Museum of Modern Art in New York in early January (as part of a series on German films) - is eleverer and more politically astute than the descrip-

tion might suggest. Helmut Dietl, its affahle writer and director, was born in 1944, raised in Munich and is still based here. But unlike most Bavarians, traditionally conservative and provincial, he is a firm proponent of democracy and a Western orientatioo for

His idol is Billy Wilder, the masterly Vienna-born director of comedies. Dietl lived in Los Angeles for four years, directing commercials and videos and trying to put together a film about the Chateau Marmont, a residential hotel oo Sunset Boulevard that has seen its share of celebrities at their best and worst. He also has a house in the south of France.

Dietl's film won this year's German Film Prizes (the German Oscars) for best picture, best director and best actor - the last to Götz George, who plays Hermann Willié, a down-and-out journalist who thinks he has the scoop of the century. In Germany alone, more than two mil-lion tickets have been sold for "Schtonk,"

although a big American film like "Terminator 2" sells more than twice that many. The word "schoolk" is a meaningle expletive uttered by Charlie Chaplin in "The Great Dictator." The script, written with Ulrich Limmer, is based on fact.



Götz George, as the down-and-out journalist in "Schtonk," won this year's German Film Prize for best actor.

Io 1983 the Willié prototype, a reporter named Gerd Heidemann, thought he had found the actual diaries of the Führer, which were really forged by a man named Konrad Kujau. Heidemann sold the publication rights to the popular German weekly Der Stern for more than \$5 million, and Der Stern rushed excerpts into print without doing much checking.

Kujau, who had an ornate private life involving a bickering wife and mistress under the same roof, was pressured to crank out 29 more volumes, hurling even aspects of his own private life onto the pages ("I am suffering from wind in the

Three days after Der Stern's scoop, the diaries were dismissed by German government experts as the "superficial concoction of a copyist endowed with limited

intellectual capacity,"

Dietl said that he had had almost no cootact with the actual conspirators none with Kujau, and only one day with Heidemann, who visited the set. "I didn't want my visioo to be distracted by the real

thing," the director said.

Heidemann and Kujau, both of whom served jail terms, are each separately still pursuing Nazi memorabilia, by the way: Kujau is on the trail of stolen art treasures, and Heidemann unearthed a piano and a guillotine actually owned by Hitler.

In his film, Dietl portrays nostalgic exand neo-Nazis in wickedly satirical terms, but he also mocks Der Stern's greedy guliibility, the reporter's desperate need to believe in his discovery and the crazed ingenuity of Kujau, whose character is called Fritz Knobel.

Dietl says his film has appealed to German sophisticates, not to a perhaps more

conservative provincial public.
"We made an analysis," he said. "The people who went to this film were the good Germans'; they made it a success. The oco-Fascists and the oco-Nazis, they were strongly against it.
"I am a child of the Bundesrepublik," be

said, referring to Western Germany, "As I watched the country being reunited, I couldn't participate in the joy, I can understand it as basically a good thing, but my background makes me afraid. I guess l am a German, and I like this country, but I'm oot ready to wave the German flag." Despite the success of this one movie, Dietl does not predict a revival of German films, in the doldrums since the death a decade ago of Rainer Werner Fassbinder.

Nor does be see "Schtonk" as a leader of that revival "There is oo German film industry any-more," said the director, who ootes that he himself has no problem raising capital for

"If you want to make a film in Germaoy, it's like trying to plant something on the North Pole. People want to cast me as the savior of German film, but I can't accept that."

Dietl. who has worked on television series and films, blames television for the decline of the German film industry.

"Certain principles that make for good films aren't respected anymore," he said. Quality is no longer a goal — the idea is just to get it done. How it looks is irrelevant, because that's not important on TV. In France, there's still a pride about film."

Even with its Germao soccess, "Schtonk" has not been an easy sell abroad. As Dietl put it recently, "When outsiders hear the words 'German comedy,' it sounds the same to them as 'Swedish ghetti - a contradiction in itself."

The recent wave of German anti-Semitism and oeo-Nazi attacks on foreigners has only compounded the film's marketing

"It is being released in January in Eng-land, by a small distributor of art films," he said. "But it hasn't been sold yet in Japan, and in America; they're afraid how the public will react. What's happening in Germany today is like a first step to a catastrophe, It makes me oervous, too.

The Synonymy of Renewal

By William Safire

WASHINGTON — I was having some trouble with a leaky copper girter, and the beams in the basement looked bent out of shape, so I called Martha Stewart.

This author of cookbooks and guides to weddings and other enterainments has a new book out -"New Old House" - dealing with restoration and renovation. Actually, not gutters but leaders are my problem; during Washington's interregnum, the synonymy of renew-al was bothering me.

She writes in the book, after consulting the Random House dictio-

It takes a heap of livin' to make a housekeeper a homekeeper.

nary: "It is my understanding that a restoration is a pure, line-for-line replication of a space or object, as nearly as possible to its original state. A renovation is a rebuilding of a space or object, with less attention paid to anthenticity than to making it new again."

I wanted to hear a less formal

differentiation from her own lips. "Restoration is putting things back the way they were," Martha Stew-art says. "It's making a house like a maseum, the way it was when first built — taking new paint off old paneling, taking it back in time. "Renovation is making something new again — putting in bath-rooms, knocking out walls, making an old house more livable for to-

And what about rehabilitation, remodeling and refurbishment?
"You're going to have to work
those out for yourself," she said. Where did I put that ruler with the bubble in the middle? Here we

The norm restoration dates back to the 15th century. In British history, the Restoration (which ended the interregrum) began in 1660 when Charles II returned to England and re-established the monarchy. George F. Will uses the term to title his oew book on Congressional reform, intended to restore respect to Congress, "Term limitation," he concludes, "is a measured, writer wanted to play on being

back to the early 1400s. The Latin habilitas is the root of "ability"; English picked up the meaning of rehabilitate in 1580, as "to re-establish the privileges of one who has been degraded or attainted." A Scottish register announced, "Our Soverane Lord . . . rehabilitattis and restoris the said Robert . . . to his gude fame." Thus, rehabilitate is close to "restore to a previous state," while renovate is closer in meaning to renew, or "make new again," but not necessarily to replicate — meaning "copy, reproduce" — the house that used to

means to change the floor plan or alter the structure. Refurbish, a word much mocked when used by Walter H. Annenberg in telling Queen Elizabeth of his plans for the American ambassador's residence, originally meant "to repolish"; now its meaning lies somewhere between redecorate, "to redo the style of interior furnishings," and spruce up, perhaps from spruce leather, a smart item once

be. Both are far from remodel, which

imported from Prussia. So what is Martha doing to her house? "I'm renovating the inside and restoring the outside," she says, "while working on a new book

about homekeeping."

Homekeeping? "It's not just housekeeping; once your house becomes your home, you have more at stake." (It takes a heap of livin' to make a housekeeper a home-

"I'm not going to be buffaloed into appointing independent coun-sels," declared Attorney General William P. Barr, derided as the Cover-Up General by the Iraqgate implacables, "by political clamor and by the views of editorial writ-

Americanism found its way into a Newsweek subhead: "Don't get buffaloed" was its advice to President-elect Bill Clinton, who had made a concession to the Senate majority leader, George Mitchell (That was followed by "He'd better wise up or he'll get steamrolled

moderate and — let it be said — "rolled," taken advantage of, as well as being flattened by being run over by a steamroller.)

The meaning of to be buffaloed is to be overawed, intimidated or confused." Do not confuse it with bulldozed, which means "pushed aside roughly" and is synonymous with steamrollered. The origin of buffaloed may be in "to be cowed." or frightened into submission; but falo has long been used for "a com without horns" as well as for the

The Dictionary of American Regional English cites an 1896 Dialect Notes entry, "Buffaloo: to confuse 'rattle.' "To 1929, American Speech reported, "When a cow becomes confused it is 'buffaloed."

That is no longer the common usage, nor is the verb used in the active voice. In current use, to be buffaloed is to be daunted, spooked, unnerved. It is nice to see this fine old bit of folklore on the rise in Washington, where the skies are no longer cloudy all day.

"I want to put a fist halfway down their throats with this," an irate Bill Clinton was quoted as saying by Mark Miller in Newsweek, adding. "I want their teeth on the sidewalk."

in a recent column, I noted the richness and unexpected power of this dialect use by the president-tobe and wondered if the reporter was on the scene when the words were spoken.

Turns out he was right there. Mark Miller called to say he heard the expressions with his own ears and made contemporaneous notes. Thus is history served; few other statements hy the campaigning Clintoo will be noted as lip-smack-

ingly by historians.

Miller says, "The figures of speech are not an affectation -he really talks that way; he's comfortable with Arkansas slang. When I once beat Governor Clinton at In the same week, the colorful hearts — a rare thing for me got him to sign the score sheet, and he wrote, 'Eveo a blind hog can find an acoru.' Razorbackese is in.

New York Times Service

INTERNATIONAL CLASSIFIED Appears on Page 6

WEATHER



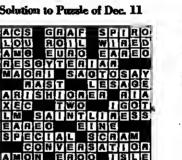
Europe **North America** A storm will move into west-em portions of the United A storm will move into west-ern peritions of the United States and Canada Wednos-day and Thursday, Most of the rain will stay north of San Francisco, Chicago and the reat of the contral United States will have rain Tuesday and Wednesstay, Thursday will be colder. Rain will arive in the east Wednesday.

No truly cold weather is in sight for western Europe. Well and it times stormy weather will be widespread from Scandinavia to Britain and France. Windswopt showers will dampon Portu-gal and Spain Tuesday and Wadnesday. Italy may tum showery at midweek, and the north will be foody. Sessonably chilly, makity dry weether is in store through at least midweek from Osaka to Tokyo, as well as from Beling to Shanghal. Social will be cold and dry. Hong Kong will be breezy with some sunshine. Gusty winds and showers will cool Talpel Tuesday.

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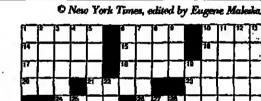
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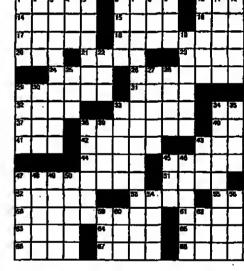
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BOOKS

THE VENERABLE BEAD

By Richard Condon. 294 pages. S21.95. St. Martin's Press. SMALL GAME

By John Blades. 239 pages. \$19.95. Henry Holt. Reviewed by Herbert Mitgang THE heroine of Richard Con-

don's 25th novel — his deadli-est saore on the underbelly of American life since his series of Prizzi oovels - starts out as Leila Aluja, the canny daughter of Iraqi immigrants, who acquires the rights to Tofu Pizza, the taste sensaoon of Europe and Asia.

She advances from demonstrating prepacked lunches at a trade school in Michigan to become the

billionaire head of the world's largest fast-food cooglomerate. Her companies own 114,720 outless in 31 countries: a oational evangelical television cetwork; casinos in Nevada, Aruba, the Bahamas and

Puerto Rico: a ehain of ballroom dancing schools, and "seven U.S. senators and 61 congressmen. Leila's aphrodisiac is power, which she gains and exercises ruthlessly. Her ambitions are fulfilled with the help of a good-luck talis-man, the ancient ruby that inspires

Aloog her erooked road to wealth and fame, Leila acquires and divorces four husbands, at least one of whom, a Chinese-Albanian spymaster, she probably loves. Before succeeding in the fast-food game, she becomes an American counterspy, a Washington lawyer

and lobbyist, and a film and record-

the novel's title.

ing star. Her theatrical name, which becomes better known than Madonna's, is Meine Edelfrau.

Condon stops the action now and again to ridicule real people and imaginary organizations. Sena-tor Joseph R. McCarthy is described as a man "who had given up his life mostly to booze" while hunting Reds. The director of the Federal Bureau of Investigation, J. Edgar Hoover, is nailed for maintaining that "there is no such thing as the Mafia."

With outrageous humor, the author mocks the power brokers behind the Manchurian candidates who dominate everything from Hollywood to Washington. Should we laugh at his puns and inside jokes, or shudder at the people who rule his American rookery? In "The Venerable Bead," Condon has the singular ability to make readers do both.

novel is Scott Ryan, devoted father as trying to trap or, if necessary, gun and semidevoted husband, who has bought an old house in the suburbs to accommodate his growing family. In an easygoing style, Blades delivers a well-developed portrait of the suburbanite as handyman. debtor, commuter and casual rake. One of the protagonist's main problems is that a second family a growing oumber of squirrels nest-

ing in the walls and attic - occu-In the view of this exurbanite suddealy turned gamekeeper, the squirrels seem oversexed; as a matter of fact, so is the protagonist when opportunities arise to escape his routine existence. He engages in passing relationships with his secretary, a baby sitter and a jogging mate, though not, traditionalist that be is,

The hero of John Blades's first affairs seem as significant to the plot down the pesky squirrels.
Furry animals play another part

> author to take whacks at advertising as a way of life. Ryan devotes his imagination to seiling a new product called Fur Real. It's a blend of genuine and synthetic fur that is supposed to revoludonize the market in bou-

in Ryan's life. His occupation is

discount stores. Although "A Small Game" fades in the stretch, it makes a charming debut for an author who can tell the difference between Fur Real and

tiques, shopping malls and upscale

Herbert Mitgang is on the staff of

By Alan Truscott

WHEN the Reisinger Board-a-Match teams ended Sunday night, concluding the Fall Nationals in Orlando, Florida, there were two winners from Brazil, Gabriel Chagas and Marcelo Branco, and one runner-up from England, Tony Forrester.

Eddie Kantar of Santa Monica, California, brought home a delicate part-score on the diagramed deal om the semi-finals. He held the South cards and

One of Forrester's teammates,

landed in three spades after the nts had come to rest in three bs and his partner has made a balancing double. The opening club lead was wor

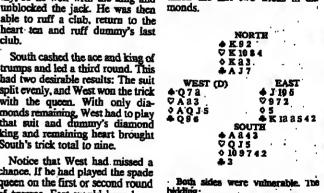
by dummy's ace and a heart was led

to the queen. West took the ace and

trumps and led a third round. This had two desirable results: The suit split evenly, and West won the trick with the queen. With only diamonds remaining. West had to play that suit and dummy's diamond king and remaining heart brought South's trick total to nine.

Notice that West had missed a chance. If he had played the spade queen on the first or second round of trumps, East would have been able to win the third round and defeat the contract by leading one of his club winners. The dummy would have been able to ruff and

cash a heart, but West would have taken the last two tricks in diamonds.



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